CONSOLIDATED FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT

To the Members of Dish TV India Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Dish TV India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As given in Note 9 to the accompanying consolidated financial statements, the following qualification is given by another firm of Chartered Accountants vide their audit report dated 28 June 2021 on the financial statements of Dish Infra Services Private Limited, a wholly owned subsidiary of the Holding Company which is reproduced by us as under:

   As stated in Note 9 to the accompanying consolidated financial statements, the Company has invested in new technologies recorded as Intangible assets under development and related capital advances amounting to Rs 55,200 lacs and ₹ 68,585 lacs respectively. In accordance with Indian Accounting Standard – 36, "Impairment of Assets", the management is required to carry out impairment test of intangible assets under development at least annually. The management has not carried out a detailed impairment testing for intangible assets under development and related advances, inter alia, involving independent valuation experts, evaluating impact of competition on related business plans and performing sensitivity analysis of future cash flows expected from these assets. In the absence of such aforementioned impairment assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying values of such intangible assets under development and the related advances".

   Our opinion for the year ended 31 March 2020 was also modified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the relevant provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Impairment assessment of Intangible assets including Goodwill As detailed in note 7 and 8 of the consolidated financial statements, the Group has intangible assets, including Goodwill of ₹ 223,796 lacs (net of provision for impairment of ₹ 403,847 lacs), Trademark/Brand of ₹ 82,825 lacs (net of provision for impairment of ₹ 20,084 lacs) and Customer and distributor relationship of ₹ 82,015 lacs, arising out of business combinations.	Our audit procedures and those of the component auditors to address this key audit matter included, but were not limited to the following: a) Obtained an understanding from the management through detailed discussions with respect to its impairment assessment process, assumptions used and estimates made by management and tested the operating effectiveness of the controls related to the aforementioned impairment assessment;

Key audit matter	How our audit addressed the key audit matter
In terms with Indian Accounting Standard 36, Impairment of Assets, the management has carried out an impairment analysis of goodwill and other intangible assets, which requires significant estimations and judgement with respect to inputs used and assumptions made to prepare the forecasted financial information, used to determine the fair value of such intangibles, using discounted cash flow model. Key assumptions used in management's assessment of the carrying amount of goodwill and other intangible assets includes the expected growth rates, estimates of future financial performance, market conditions, capital expenditure and discount rates, among others. Consequent to such impairment assessment, the Group has recorded an impairment charge of ₹ 57,897 lacs against goodwill and ₹ 20,084 lacs against Trademark/Brand. Considering the materiality of the amount involved and significant degree of judgement and subjectivity involved in the estimates and assumptions used in determining the cash flows used in the impairment evaluation, we have determined impairment of such goodwill and other intangible assets arising from the business combination as a key audit matter.	b) Obtained the impairment analysis carried out by the management and reviewed the valuation report obtained by management from an independent valuer; c) Assessed the professional competence, objectivity and capabilities of the independent expert considered by the management for performing the required valuations to estimate the recoverable value of the goodwill and other intangible assets; d) Involved experts within the audit team to assess the appropriateness of the valuation model used by the management and reasonableness of assumptions made by the management relating to discount rate, risk premium, industry growth rate etc.; e) Evaluated the inputs used by the management with respect to revenue and cost growth trends, among others, for reasonableness thereof; and f) Evaluated the adequacy of disclosures made by the Group in the consolidated financial statements in view of the requirements as specified in the Indian Accounting Standards.
B. Amounts recoverable and provision for expected credit losses Refer note 4(j) for significant accounting policy and note 49(B) for credit risk disclosures. Trade receivables and other amounts recoverable comprise a significant portion of the current financial assets of the Group. As at 31 March 2021 trade receivables aggregate ₹ 9,305 lacs (net of provision for expected credit losses of ₹ 10,332 lacs). In accordance with Ind AS 109, the Group applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables. The Group has analysed the trend of trade receivables under different ageing bracket for last three years and calculated credit loss rate basis such ageing. The complexity in calculation of ECL is mainly related to calculations performed for different type of revenue streams in which the Group operates and the different recovery period for different categories of customers. Additional provision is recognised for the receivables which are specifically identified as doubtful or non-recoverable.	Our audit procedures and those of the component auditors, to address this key audit matter included, but were not limited to the following: a) Obtained an understanding the process adopted by the Group for calculation, recording and monitoring of the impairment loss recognised for expected credit loss; b) Assessed and tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording and monitoring of the impairment loss recognised. Also, evaluated the controls over the modelling process, validation of data and related approvals; c) Discussed with the management about the conditions leading to, and their assessment of recoverability of dues from the parties and also referred to the available communication, if any, between them; d) Referred to the aging of trade and other receivables and discussed the key balances to establish the management's assessment of recoverability of such dues; e) Analysed the methodology used by the management and considered the credit and payment history of specific parties to determine the trend used for arriving at the expected credit loss provision; and f) Assessed the adequacy of disclosures made by the management in the consolidated financial statements to reflect the expected credit loss provision, trade and other receivables.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflects total assets of ₹ 633,386 lacs and net assets of ₹ 381,237 lacs as at 31 March 2021, total revenues of ₹ 177,260 lacs and net cash outflows amounting to ₹ 5,965 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

    Further, of these subsidiaries, 1 subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in that respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that respective country to accounting principles generally accepted in India. Another firm of Chartered Accountants have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiary located outside India, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by another auditor.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, we report that the Holding Company covered under the Act paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 2 subsidiary companies covered under the Act have not paid or provided for any managerial remuneration during the year and 1 subsidiary company is not

covered under the Act. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary companies.

18. As required by section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

a) we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion section with respect to the financial statements of Dish Infra Services Private Limited, a subsidiary of the Holding Company;

c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section with respect to the Dish Infra Services Private Limited, a subsidiary of the Holding Company;

g) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'; and

h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in note 56 and 61 to the consolidated financial statements;

ii. provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 61(c)(ii) to the consolidated financial statements;

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2021; and

iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 21504662AAAAEY8128

Place: New Delhi
Date: 30 June 2021

ANNEXURE I

List of subsidiary companies

1. Dish Infra Services Private Limited;
2. Dish TV Lanka (Private) Limited; and
3. C&S Medianet Private Limited

ANNEXURE II

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Dish TV India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

8. According to the information and explanations given to us and based on our audit and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, the following material weakness has been identified in the operating effectiveness of internal financial controls with reference to financial statements as at 31 March 2021.

   As stated in Note 9 and Note 44 to the accompanying consolidated financial statements, the following material weakness is identified by another firm of Chartered Accountants, issued vide their audit report dated 28 June 2021 on the internal financial controls with reference to financial statements of Dish Infra Services Private Limited, a wholly owned subsidiary company of the Holding Company, which is reproduced by us as under:

   As explained in Note 9 and Note 44 to the consolidated financial statements, the company has performed an internal assessment to estimate the fair value of its intangible assets under development and related capital advances, which in our view is not detailed and comprehensive test in accordance with the principles of Indian Accounting Standard – 36 "Impairment of Assets". As a result, the company's internal financial control system towards estimating the fair value of its intangible assets under development and related capital advances were not operating effectively, which could result in the company not providing for adjustment, if any that may be required to the carrying values of intangible assets under development and related capital advances, and its consequential impact on the earnings, reserves and related disclosures in the financial statements.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding Company's annual or interim financial statements will not be prevented or detected on a timely basis.

10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March 2021, and the material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the Consolidated financial statements.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 2 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 633,227 lacs and net assets of ₹ 381,250 lacs as at 31 March 2021, total revenues of ₹ 177,260 and net cash outflows amounting to ₹ 6,036 lacs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No.: 504662
UDIN: 21504662AAAAEY8128

Place: New Delhi
Date: 30 June 2021

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	**209,159**	284,880
Capital work-in-progress	6	**39,528**	62,272
Goodwill	7	**223,802**	281,699
Other intangible assets	8	**167,658**	201,554
Intangible assets under development	9	**55,200**	52,500
Financial assets			
Investments	10	**0**	0
Loans	11	**708**	1,079
Others financial assets	12	**326**	45
Deferred tax assets (net)	13	**65,017**	114,776
Current tax assets (net)	14	**9,645**	9,897
Other non-current assets	15	**83,735**	83,821
		854,778	1,092,523
Current assets			
Inventories	16	**2,118**	2,201
Financial assets			
Trade receivables	17	**9,305**	8,684
Cash and cash equivalents	18	**9,397**	11,271
Other bank balances	19	**6,150**	3,355
Loans	20	**1,872**	1,607
Other financial assets	21	**108**	131
Other current assets	22	**43,858**	41,112
		72,808	68,361
Assets classified as held for sale	34	**890**	-
Total assets		**928,476**	1,160,884
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	23	**18,413**	18,413
Other equity	24	**250,283**	366,568
Equity attributable to owners of Holding Company		**268,696**	384,981
Non-controlling interest		**(5,896)**	(5,207)
		262,800	379,774
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	25	**26,858**	56,044
Other financial liabilities	26	**183**	177
Provisions	27	**2,522**	2,592
Other non-current liabilities	28	**1,167**	3,184
		30,730	61,997
Current liabilities			
Financial liabilities			
Borrowings	29	**21,454**	43,696
Trade payables	30		
- Total outstanding dues of micro enterprises and small enterprises		**536**	109
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**118,699**	128,999
Other financial liabilities	31	**58,708**	107,722
Other current liabilities	32	**58,648**	80,564
Provisions	33	**374,443**	358,023
		632,488	719,113
Liability directly associated with assests classified as held for sale	34	**2,458**	-
Total equity and liabilities		**928,476**	1,160,884

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-64)

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662

Place: New Delhi
Date: 30 June 2021

For and on behalf of the Board of Directors of Dish TV India Limited

Jawahar Lal Goel
Chairman & Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00826573

Anil Kumar Dua
Group Chief Executive Officer and Executive Director
DIN: 03640948

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Noida
Date: 30 June 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	35	**324,936**	355,634
Other income	36	**1,560**	1,361
Total income		**326,496**	356,995
Expenses			
Purchases of stock-in-trade		**852**	75
Changes in inventories of stock-in-trade	37	**63**	270
Operating expenses	38	**69,959**	78,730
Employee benefits expense	39	**15,297**	19,311
Finance costs	40	**41,837**	56,522
Depreciation and amortisation expenses	41	**153,191**	142,621
Other expenses	42	**37,066**	46,651
Total expenses		**318,265**	344,180
Profit before exceptional items and tax		**8,231**	12,815
Exceptional items	43	**77,981**	191,550
(Loss) before tax		**(69,750)**	(178,735)
Tax expense:			
Current tax -prior years		**(468)**	-
Deferred tax		**49,704**	(13,251)
(Loss) after tax		**(118,986)**	(165,484)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurement of gains on defined benefit plan		**220**	95
Income-tax relating to items that will not be reclassified to profit or loss		**(56)**	(24)
Items that will be reclassified to profit or loss			
Foreign currency translation reserve		**1,790**	(488)
Income-tax relating to items that will be reclassified to profit or loss		**-**	-
Other comprehensive income for the year		**1,954**	(417)
Total comprehensive income for the year		**(117,032)**	(165,901)
Profit is attributable to :			
Owners of the holding Company		**(117,760)**	(163,882)
Non-controlling interests		**(1,226)**	(1,602)
Other comprehensive income is attributable to :			
Owners of the holding Company		**1,417**	(271)
Non-controlling interests		**537**	(146)
Total comprehensive income is attributable to :			
Owners of the holding Company		**(116,343)**	(164,153)
Non-controlling interests		**(689)**	(1,748)
Earning per share (EPS) (face value Re 1)			
Basic	58	**(6.12)**	(8.52)
Diluted	58	**(6.12)**	(8.52)

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-64)

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662

Place: New Delhi
Date: 30 June 2021

For and on behalf of the Board of Directors of Dish TV India Limited

Jawahar Lal Goel
Chairman & Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00826573

Anil Kumar Dua
Group Chief Executive Officer and Executive Director
DIN: 03640948

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Noida
Date: 30 June 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity share capital

	Amount
Balance as at 1 April 2019	18,413
Changes in equity share capital during the year	-
Balance as at 31 March 2020	**18,413**
Changes in equity share capital during the year	-
Balance as at 31 March 2021	**18,413**

B. Other equity

Particulars	Attributable to owners of holding company							Non-controlling interest	Total
	Reserves and surplus				Other components of equity		Total other equity		
	Securities premium	Retained earnings	General reserves	Share option outstanding account	Shares issued but allotment kept in abeyance (refer note 23 h)	Foreign currency translation reserve			
Balance as at 1 April 2019	633,613	(106,767)	1,849	195	825	870	530,585	(3,458)	527,127
Loss for the year	-	(163,882)	-	-	-	-	(163,882)	(1,602)	(165,484)
Other comprehensive income for the year (net of taxes)	-	71	-	-	-	(342)	(271)	(146)	(417)
Total comprehensive income for the year	**-**	**(163,811)**	**-**	**-**	**-**	**(342)**	**(164,153)**	**(1,748)**	**(165,901)**
Share based payment to employees	-	-	-	136	-	-	136	-	136
Balance as at 31 March 2020	**633,613**	**(270,578)**	**1,849**	**331**	**825**	**528**	**366,568**	**(5,207)**	**361,361**
Loss for the year	-	(117,760)	-	-	-	-	(117,760)	(1,226)	(118,986)
Other comprehensive income for the year (net of taxes)	-	164	-	-	-	1,253	1,417	537	1,954
Total comprehensive income for the year	**-**	**(117,596)**	**-**	**-**	**-**	**1,253**	**(116,343)**	**(689)**	**(117,032)**
Share based payment to employees	-	-	-	58	-	-	58	-	58
Balance as at 31 March 2021	**633,613**	**(388,174)**	**1,849**	**389**	**825**	**1,781**	**250,283**	**(5,896)**	**244,387**

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-64)

This is the Consolidated Statement of Changes In Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662

Place: New Delhi
Date: 30 June 2021

For and on behalf of the Board of Directors of Dish TV India Limited

Jawahar Lal Goel
Chairman & Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00826573

Anil Kumar Dua
Group Chief Executive Officer and Executive Director
DIN: 03640948

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Noida
Date: 30 June 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flows from operating activities		
Net loss before tax	**(69,750)**	(178,735)
Adjustments for :		
Depreciation and amortisation expense	**153,191**	142,621
Loss on sale/discard of property, plant and equipment and capital work-in-progress	**3,267**	1,260
Share based payment to employees	**67**	169
Impairment on financial assets	**2,200**	3,132
Interest income on financial assets measured at amortised cost	**(30)**	(43)
Bad debts and balances written off	**965**	272
Exceptional items	**77,981**	191,550
Liabilities written back	**(16)**	(69)
Foreign exchange fluctuation (net)	**467**	1,581
Interest expense	**39,528**	53,484
Interest income	**(846)**	(701)
Operating profit before working capital changes	**207,024**	214,521
Changes in working capital		
Decrease in inventories	**62**	270
(Increase)/decrease in trade receivables	**(2,827)**	2,097
Decrease in other financial assets	**133**	104,759
Increase in other assets	**(3,380)**	(98,210)
Decrease in trade payables	**(8,502)**	(9,884)
(Decrease)/increase in provisions	**(10,320)**	5,414
(Decrease)/increase in other liabilities	**(25,521)**	3,236
Cash generated from operations	**156,669**	222,203
Income-taxes (paid) (net of refund)	**720**	(1,814)
Net cash generated from operating activities (A)	**157,389**	220,389
Cash flows from investing activities		
Purchases of property, plant and equipment (including adjustment for creditors for property, plant and equipment, work in progress and capital advances)	**(45,894)**	(100,420)
Proceeds from sale of property plant and equipment	**9**	1,049
Net movement in fixed deposits	**(3,076)**	5,682
Interest received	**869**	1,103
Net cash used in investing activities (B)	**(48,092)**	(92,586)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flows from financing activities		
Interest paid	**(14,553)**	(28,334)
Repayments of long term borrowings	**(74,357)**	(71,955)
Repayment of short term borrowings(net)	**(22,242)**	(25,446)
Net cash used in financing activities (C)	**(111,152)**	(125,735)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(1,855)**	2,068
Cash and cash equivalents at the beginning of the year	**11,271**	9,203
Cash and cash equivalents classified as held for sale	**(19)**	-
Cash and cash equivalents at the end of the year	**9,397**	11,271
Cash and cash equivalents includes:		
Balances with scheduled banks :		
- in current accounts	**5,574**	11,269
- deposits with maturity of upto 3 months	**3,561**	-
Cheques, drafts on hand	**256**	-
Cash on hand	**6**	2
Cash and cash equivalents (refer note 18)	**9,397**	11,271

(a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash Flows"

(b) Figures in brackets indicate cash outflow.

(c) Additions to property, plant and equipment and intangible assets include movements of capital work-in-progress, intangible assets under development, capital advances and creditors for capital goods respectively during the year.

(d) Refer note 29.1 for reconciliation of liabilities arising from financing activities as set out in Ind AS-7

Significant accounting policies and other explanatory information forming part of the consolidated financial statements (1-64)

This is the Consolidated Cash Flow Statement referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662

Place: New Delhi
Date: 30 June 2021

For and on behalf of the Board of Directors of Dish TV India Limited

Jawahar Lal Goel
Chairman & Managing Director
DIN: 00076462

B. D. Narang
Director
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Anil Kumar Dua
Group Chief Executive Officer and Executive Director
DIN: 03640948

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Noida
Date: 30 June 2021

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

1. Background

Dish TV India Limited ('Dish TV' or 'the Company' or 'the parent company') and its subsidiaries [refer to note 4(c) below], together referred as 'the Group', is engaged in the business of providing Direct to Home ('DTH') and Teleport services.

2. General information and statement of compliance with Indian Accounting Standards (Ind AS)

These consolidated financial statements of the Group have been prepared in accordance with Ind AS as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other provisions of the Act . The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statement for the year ended 31 March 2021 were authorised and approved for issue by Board of Directors on 30 June 2021.

3. Recent accounting pronouncement

Standard issued but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards. However, there are no such notifications which have been issued but not yet effective or applicable from 1 April 2021.

4. Significant accounting policies

a) Overall considerations

These consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

These accounting policies have been used throughout all periods presented in these consolidated financial statements.

b) Basis of preparation of financial statements

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets, financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

Further the management believes that it is appropriate to prepare these financial statements on a going concern basis considering available resources, current level of operations of the Group, and those projected for foreseeable future.

c) Principles of consolidation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as notified by Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015. The consolidated financial statements are prepared on the following basis:

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interests on the basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

Joint ventures

Interest in joint venture are accounted for using the equity method, after initially being recognized at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

The companies considered in the consolidated financial statements are:

Name of the company	Nature	Country of incorporation	% shareholding As at 31 March 2021	% shareholding As at 31 March 2020
Dish TV India Limited	Holding Company	India	**-**	-
Dish T V Lanka (Private) Limited	Subsidiary Company	Sri Lanka	**70**	70
Dish Infra Services Private Limited	Subsidiary Company	India	**100**	100
C&S Medianet Private Limited	Subsidiary Company	India	**51**	51

d) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Group and other criteria set out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

e) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, the equity interests issued and fair value of contingent consideration issued. Acquisition-related costs are expensed as and when incurred.

Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

recognised either in profit or loss or as a change to OCI. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is measured as excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the resulting gain on bargain purchase is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

f) Property, plant and equipment and capital work in progress

Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are recorded at the cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use upto the date when the assets are ready for use. Any trade discount, recoverable taxes and rebates are deducted in arriving at the purchase price. All other repairs and maintenance are recognized in statement of profit and loss as incurred.

Consumer premises equipments (CPE) including viewing cards (VC) are treated as part of capital work in progress till the time of activation thereof, post which the same gets depreciated. Capital work in progress is valued at cost.

Subsequent measurement (Depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less depreciation and impairment loss. Depreciation on property, plant and equipment is provided on straight line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II, of the Act, as under:

Asset category	**Useful life (in years)**
Plant and equipments	7.5
Building	30
Office equipments except mobile	5
Mobiles	2.5
Furniture and fixtures	10
Electrical installations	10
Vehicles	8
Computers	
Laptops, desktops and other devices	3
Servers and networks	6

In case of following category, life of the assets have been assessed as under based on technical advice taking into account the nature of assets, estimated usage of the assets, the operating conditions of assets, past history of replacement, anticipated technological changes etc.

i) CPEs including Viewing Cards (VC) are depreciated over their useful life of five years, as estimated by the management.

ii) Aircraft is depreciated over the estimated useful life of ten years.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition (calculated as the difference between the net disposal proceeds and its carrying amount) is included in the statement of profit and loss when the respective asset is derecognised.

g) Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

h) Other intangible assets

Recognition and initial measurement

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. These assets are valued at cost which comprises the purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Fee paid for acquiring license to operate DTH services, is capitalized as intangible asset.

Customer and distributor relationships are recorded at the cost of acquisition. Cost of acquisition has been determined as the fair market value assessed by independent valuer based on projected economic income attributable to the Group as per valuation of merger scheme.

Brand is recorded at the cost of acquisition. Cost of acquisition has been determined as the fair market value assessed by independent valuer based on projected economic income attributable to the Group as per valuation of merger scheme.

Cost of computer software includes license fees, cost of implementation and directly attributable system integration expenses. These costs are capitalized as intangible assets in the year in which related software is implemented.

Subsequent measurement (amortisation)

i) Fees paid for acquiring licenses to operate DTH services is amortised over the period of license and other license fees are amortized over the management estimate of useful life of five years.

ii) The economic life of customer and distributor relationship assets are usually determined by estimating future loyalty of customers. Management has assessed that the economic useful life of the customer and distributor relationship to be of ten years.

iii) The brands have been acquired for a perpetual period. Based on all the factors the Group has considered life of brand till perpetuity.

iv) Software are amortised over an estimated life of one year to five years.

i) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

j) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group is required to consider –

i) All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Group applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

k) Inventories

Inventories of customer premises equipment (CPE) related accessories and spares are valued at the lower of cost and net realisable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received/receivable net of rebates and applicable taxes. The Group applies the revenue recognition criteria to each nature of the sales and services transaction as set out below, pursuant to Indian Accounting Standard -115 "Revenue from contracts with customers" (Ind AS 115) which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

i) Revenue from rendering of services

- Revenue from subscription services is recognized upon transfer of control of promised products or services to customers over the time in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is recognised net of taxes collected from the customer, collection charges and any discount given. Consideration received in advance for subscription services is initially deferred and included in other liabilities.
- Lease rental is recognized as revenue as per the terms of the contract over the period of lease contract on a straight line basis.
- Activation fee is recognised on an upfront basis considering the level of services rendered on activation, the corresponding cost incurred and separate consideration charged for the subsequent continuing services.
- Revenue from other services (viz Bandwidth charges, teleport services, field repairs of CPE, advertisement income) are recognized on rendering of the services.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

- Infrastructure support fees is recognised on the basis of fixed rate agreement on the basis of active customers.

ii) Revenue from sale of goods

- Revenue from sale of stock-in-trade is recognised when the products are dispatched against orders to the customers in accordance with the contract terms and the Group has transferred to the buyer the significant risks and rewards.
- Sales are stated net of rebates, trade discounts, sales returns and taxes on sales.

iii) Interest income

- Income from deployment of surplus funds is recognised on accrual basis using the effective interest rate (EIR) method.

m) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is also the functional and presentation currency of the Group.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Non-monetary items denominated in a foreign currency are converted in functional currency at the rate prevailing on the date of transactions and the same are carried at historical cost.

Foreign currency monetary items are converted to functional currency using the closing rate.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

n) Borrowing Costs

Borrowing costs include interest and other costs that the Group incurs in connection with the borrowing of funds.

In case of significant long-term loans, other costs incurred in connection with the borrowing of funds are amortised over the period of respective loan.

o) Employee benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences

Defined contribution plan

The Group deposits the contributions for provident fund and employees' state insurance to the appropriate government authorities and these contributions are recognised in the statement of profit and loss in the financial year to which they relate.

Defined benefit plan

The Group's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out at the end of the year by an independent actuary, using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government Securities for relevant maturity. Actuarial gains and

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

losses are recognised immediately in the Statement of Other Comprehensive Income. The Group has done contribution to the Gratuity plan with LIC partially.

Other long term employee benefits

Benefits under the Group's compensated absences constitute other long-term employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation done by an independent actuary using the projected unit credit method at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus, etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

p) Employee stock option scheme

The fair value of options granted under Employee Stock Option Plan of the Group is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity. Upon exercise of share options, the proceeds received are allocated to share capital up to the par value of the shares issued with any excess being recorded as share premium.

q) Leases

Company as a lessee

Accounting policy till 31 March 2019

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight line basis.

Leases which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased items are classified as 'Finance Leases'. Assets acquired on 'Finance Lease' which transfer risk and rewards of the ownership to the Group are capitalized as the assets by the Group.

Changes in accounting policy

The Groups's lease asset classes primarily consist of leases for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset, (2) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right of use (ROU) asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

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(All amounts in ₹ lacs, unless otherwise stated)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight -line basis over the shorter of the lease term and the useful life of the underlying asset

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are re measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

ROU assets has been disclosed under property plant and equipements and corresponding lease liability has been shown under financial liability in the Balance sheet.

Transition

Effective 1 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method, on the date of initial application. This new standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. Ind AS 116 supersedes Ind AS 17 and its associated interpretative guidance. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and Right-of-use assets were measured at the amount of the lease liability (adjusted for any prepaid or accrued lease expenses). Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) (an amount equal to the lease liability, adjusted by the prepaid lease rent) of ₹ 2,607 lacs. The impact on the loss of the Group for the year ended 31 March 2020 is not material.

The following is the summary of practical expedients elected on initial application:

a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 10.84% p.a.

Company as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight line basis over the lease term.

r) Earnings per share

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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(All amounts in ₹ lacs, unless otherwise stated)

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s) Equity, reserves and dividend payment

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Retained earnings include current and prior period retained profits. All transactions with owners of the Parent Company are recorded separately within equity.

t) Taxation

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised either in other comprehensive income or in equity.

Unused tax credit such as (Minimum alternate tax ('MAT') credit entitlement) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the specified period. In the year in which such credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as unused tax credit. The Group reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent it is not reasonably certain that the Group will pay normal income-tax during the specified period.

u) Operating cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

v) Operating expenses

Operating expenses are recognised in statement of profit or loss upon utilisation of the service or as incurred.

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(All amounts in ₹ lacs, unless otherwise stated)

w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Basis the review of operations being done by the CODM, the operations of the Group fall under Direct to Home ('DTH') and teleport services, which is considered to be the only reportable segment.

x) Provisions, contingent liabilities, commitments and contingent assets

The Group recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are discounted to their present value (where time value of money is material) and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Group. Contingent liabilities are also disclosed for the present obligations that have arisen from past events in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

y) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Subsequent measurement

Financial asset at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Investments in equity instruments of subsidiaries and joint ventures

Investments in equity instruments of subsidiaries and joint ventures are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

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(All amounts in ₹ lacs, unless otherwise stated)

Investments in other equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Investments in mutual funds

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

Derivative instruments – derivatives such as options and forwards are carried at fair value through profit and loss with fair gains/losses recognised in statement of profit and loss.

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

z) Fair value measurement

The Group measures financial instruments such as investments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value

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(All amounts in ₹ lacs, unless otherwise stated)

hierarchy as explained above.

aa) Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and in hand, cheques in hand and short term investments that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

ab) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

ac) Non-current assets held for sale and discontinued operations

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. Profit or loss from discontinued operations comprise the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

ad) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Contingent liabilities: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

Significant estimates

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Impairment of financial assets: At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables.

Impairment of goodwill and other intangible assets: At each balance sheet date, goodwill is tested for impairment. The recoverable amount of cash generating unit (CGU) is determined based on the higher of value-in-use and fair value less cost to sell. Key assumptions on which the management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The cash flow projections take into account past experience and represent the management's best estimate about future developments. Cash flow projections based on financial budgets are approved by management.

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.

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(All amounts in ₹ lacs, unless otherwise stated)

5. Property, plant and equipment

Particulars	Building	ROU assets (refer note 55)	Plant and equipments	Consumer premises equipment	Computers	Office equip-ments	Furniture and fixtures	Vehicles	Leasehold improve-ments	Electrical Installa-tions	Total
Gross carrying value											
As at 1 April 2019	2,868	-	41,296	962,625	4,119	1,284	625	3,794	48	642	1,017,301
Adjustment on transition to Ind AS 116	-	2,607	-	-	-	-	-	-	-	-	2,607
Additions	103	-	2,798	71,872	293	902	414	5	0	15	76,402
Disposal/ adjustments	-	-	4	-	10	1	2	3,378	-	-	3,395
Foreign currency translation (gain)/loss	(0)	-	(6)	(0)	(1)	(1)	(0)	(0)	(0)	-	(8)
As at 31 March 2020	**2,971**	**2,607**	**44,084**	**1,034,497**	**4,401**	**2,184**	**1,037**	**421**	**48**	**657**	**1,092,907**
Additions	-	-	159	63,533	89	335	57	2	-	1	64,176
Disposal/ adjustments	-	-	-	-	5	-	-	12	-	-	17
Foreign currency translation (gain)/loss	(19)	-	(199)	(36)	(1)	(2)	(1)	(1)	(0)	-	(259)
Reclassified as held for sale (refer note 34)	228	-	2,403	435	6	21	12	9	2	-	3,116
As at 31 March 2021	**2,724**	**2,607**	**41,641**	**1,097,559**	**4,478**	**2,496**	**1,081**	**401**	**46**	**658**	**1,153,691**
Accumulated depreciation											
As at 1 April 2019	574	-	22,707	652,851	2,483	696	338	2,415	48	303	682,415
Charge for the year	371	37	4,885	121,380	634	274	85	237	-	95	127,998
Disposal/ adjustments	-	-	0	-	8	1	0	2,368	-	-	2,377
Foreign currency translation (gain)/loss	(0)	-	(7)	(0)	(1)	(1)	(0)	(0)	(0)	-	(9)
As at 31 March 2020	**945**	**37**	**27,585**	**774,231**	**3,108**	**968**	**423**	**284**	**48**	**398**	**808,027**
Charge for the year	374	37	5,085	132,446	519	320	102	37	-	76	138,996
Disposal/ adjustments	-	-	-	-	3	-	-	5	-	-	8
Foreign currency translation (gain)/loss	(4)	-	(132)	(32)	(1)	(2)	(1)	(1)	(1)	-	(174)
Reclassified as held for sale (refer note 34)	59	-	1,779	427	6	20	8	8	2	-	2,309
As at 31 March 2021	**1,256**	**74**	**30,759**	**906,218**	**3,617**	**1,266**	**516**	**307**	**45**	**474**	**944,532**
Net block as at 31 March 2020	2,026	2,570	16,499	260,266	1,293	1,216	614	137	-	259	284,880
Net block as at 31 March 2021	1,468	2,533	10,882	191,341	861	1,230	565	94	1	184	209,159

('0' represent the amount less than ₹ 50,000 rounded off to ₹ lacs)

Property, plant and equipment pledged as security

Refer note 25 and 29 for information on property, plant and equipment pledged as security by the Group.

Contractual obligation

Refer note 61(c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Capitalised borrowing cost

No borrowing cost has been capitalised during the year ended 31 March 2021 and 31 March 2020

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(All amounts in ₹ lacs, unless otherwise stated)

6. Capital work in progress

Particulars	Amount
Gross carrying value	
As at 1 April 2019	76,660
Additions	62,266
Disposal/adjustment	(1,084)
Transfer to property, plant and equipment	(75,570)
As at 31 March 2020	**62,272**
Additions	44,699
Disposal/adjustment	(3,267)
Transfer to property, plant and equipment	(64,176)
As at 31 March 2021	**39,528**

Capital work in progress

Refer note 25 and 29 for information on property, plant and equipment pledged as security by the Group.

7. Goodwill

Particulars	31 March 2021	31 March 2020
Opening balance	**281,699**	473,249
Impairment of goodwill (refer footnote)	**(57,897)**	(191,550)
Closing balance	**223,802**	281,699

Impairment tests for goodwill

Goodwill is monitored by management at the level of D2h division acquired pursuant to merger of the Parent Company with erstwhile Videocon D2h Limited

A summary of goodwill allocation and carrying value is presented below:

Particulars	31 March 2021	31 March 20
D2h CGU	**-**	45,288
D2h Infra CGU	**223,796**	236,404
Total	**223,796**	281,692

Impairment testing of the goodwill (allocated to the D2H CGU) is being performed at each balance sheet date. The recoverable amount of cash generating unit is determined based on the higher of value-in-use and fair value less cost to sell. Value in use is determined basis cash flow projections which is being prepared taking in to account past experience and represent the management's best estimate about future developments. Cash flow projections based on financial budgets are approved by management. Key assumptions on which the management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. The impairment loss, if any, determined as a result of the assessment is first applied to the carrying value of Goodwill allocated to D2H CGU and then to the other intangible assets consisting in the CGU in accordance with the manner prescribed in Ind AS 36. Based on above, at the current reporting date, an impairment loss amounting to ₹ 77,981 lacs (previous year ₹ 191,550 lacs) has been determined in respect of D2H CGU. Out of the total provision for impairment, ₹ 57,897 lacs (previous year ₹ 191,550 lacs) has been adjusted against the carrying value of goodwill and balance was adjusted against another intangible asset having infinite life namely trademark/brand in the manner prescribed in Ind AS 36.

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(All amounts in ₹ lacs, unless otherwise stated)

A summary of value in use and amount of impairment of D2h division during the financial year is given below,

	31 March 2021		31 March 2020	
	D2h Infra CGU	**D2h CGU**	D2h Infra CGU	D2h CGU
Present value of discounted cash flows over 5 years	**139,008**	**135,358**	180,527	157,745
Present value of terminal cash flow	**231,461**	**202,035**	301,134	223,218
Total value in use	**370,469**	**337,393**	481,661	380,963
Less: Contingent liability	**-**	**45,660**	-	20,250
Less: Borrowing and license fees payable	**76,469**	**174,286**	77,597	175,829
Less: Net working capital	**(13,486)**	**(50,279)**	(17,662)	(67,916)
Less: Carrying value of PPE and intangible assets at reporting date	**83,690**	**187,810**	116,335	207,512
Net recoverable amount	**223,796**	**(20,084)**	305,391	45,288
Opening carrying value of goodwill of D2h CGU	**236,404**	**45,288**	236,404	236,838
Provision for impairment (refer note 43)	**12,609**	**45,288**	-	191,550
Closing carrying value of goodwill	**223,796**	**-**	236,404	45,288
Provision for impairment trademark/brand (refer note 43)	**-**	**(20,084)**	-	-

Key assumptions used for value in use calculation are as follows:

- The Group prepares its cash flow forecast based on the most recent financial budget approved by management with projected revenue growth rate. Average monthly revenue per user is expected to grow at 4% per year.
- Terminal growth rate is assumed at 4% and is based on industry growth rate and projected growth of Indian economy.
- The EBIDTA margin is expected to be at the same level through out the projected period.
- The free cash flow arrived at were discounted to present value using weighted average cost of capital (WACC). The sum of the discounted cash flows along with the discounted terminal value is the estimated enterprise value.

8. Other intangible assets

Particulars	Trademark / Brand	License fee	Software	Customer and Distributor Relationship	Total
Gross carrying value					
As at 1 April 2019	102,909	2,213	10,557	126,134	241,813
Additions	-	650	408	-	1,058
Disposal/ adjustments	-	-	264	-	264
Foreign currency translation (gain)/loss	-	(1)	-	-	(1)
As at 31 March 2020	**102,909**	**2,862**	**10,701**	**126,134**	**242,606**
Additions	-	363	20	-	383
Foreign currency translation (gain)/loss	-	(0)	-	-	(0)
As at 31 March 2021	**102,909**	**3,225**	**10,721**	**126,134**	**242,989**
Accumulated amortisation					
As at 1 April 2019	-	1,547	5,990	18,893	26,430
Charge for the year	-	347	1,663	12,613	14,623
Foreign currency translation (gain)/loss	-	(1)	-	-	(1)

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(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Trademark / Brand	License fee	Software	Customer and Distributor Relationship	Total
As at 31 March 2020	**-**	**1,893**	**7,653**	**31,506**	**41,052**
Charge for the year	-	323	1,259	12,613	34,279
Impairment for the year (refer note below)	20,084	-	-	-	20,084
Foreign currency translation (gain)/loss	-	(0)	-	-	(0)
As at 31 March 2021	**20,084**	**2,216**	**8,912**	**44,119**	**75,331**
Net block as at 31 March 2020	102,909	969	3,048	94,628	201,554
Net block as at 31 March 2021	82,825	1,009	1,809	82,015	167,658

('0' represent amount less than ₹ 50,000 rounded off to ₹ lacs)

Contractual obligation

Refer note 61(c) for disclosure of contractual commitments for the acquisition of intangible assets.

Note:

Please refer to Note 7, impairment testing of goodwill includes other intangible assets also and consequently the impact of impairment assessment as mentioned in said note on the D2H CGU, has been allocated to the related goodwill and other intangible assets, accordingly an adjustment of ₹ 20,084 lacs on account of impairment loss in the carrying value of brand belonging to D2H CGU having the indefinite life intangible assets namely 'Trademarks/brand'.

9. Intangible assets under development

In line with the business plan of investing in new age technologies, inter alia, Watcho the OTT platform, networking equipments and customer premises equipments (CPE), Dish Infra Services Private Limited, a wholly owned subsidiary Company had made significant progress in augmenting these new age technologies in previous year. The subsidiary Company had contracted with aggregators for content and related infrastructure and recorded ₹ 55,200 lacs as intangible assets under development and ₹ 68,585 lacs as related capital advances as of 31 March 2021. However, the process could not be completed within planned timeframe due to COVID-19 lockdown and restrictions imposed across the country during the year. The management of the subsidiary Company is in the process of concluding all the planned investments in the near future. As further described in note 44, management has concluded that no material adjustments is required in the carrying value of intangible assets under development and the related advances.

	As at 31 March 2021	As at 31 March 2020
10. Investment (non-current)		
In equity instruments		
Equity shares fully paid up of other companies carried at fair value through other comprehensive income (unquoted)		
Dr. Subhash Chandra Foundation*		
1 (31 March 2020: 1) equity shares of ₹ 10, each fully paid up	**0**	0
(* ₹ 10 as on 31 March 2021 (31 March 2020: ₹ 10), rounded off to ₹ lacs)		
	0	0
Aggregate amount of quoted investments and market value thereof	**-**	-
Aggregate amount of unquoted investments	**0**	0
Aggregate amount of impairment in the value of investments	**-**	-
	0	0

('0' represents the amount less than ₹ 50,000 rounded off to ₹ lacs)

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(All amounts in ₹ lacs, unless otherwise stated)

11. Loans (non-current)

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good unless otherwise stated		
Security deposit		
Related parties (refer note 54c)	**-**	368
others	**708**	711
	708	1,079

12. Other financial assets (non-current)

	As at 31 March 2021	As at 31 March 2020
Others		
Bank deposits with of more than 12 months maturity	**326**	45
	326	45

13. Deferred tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets/ (liabilities) arising on account of :		
Provision for employee benefits and others provisions/liabilities deductible on actual payment	**3,496**	3,351
Allowances for expected credit loss- trade receivables and advances/loans	**8,964**	8,095
Expense disallowed u/s 35DD of Income Tax Act, 1961	**497**	988
Unabsorbed depreciation*	**40,605**	52,507
Receivables, financial assets and liabilities at amortised cost	**(120)**	817
Property, plant and equipment and intangible assets	**11,575**	49,018
	65,017	114,776

Movement in deferred tax assets/(liabilities) for the year ended 31 March 2021	**As at 1 April 2020**	**Recognised / reversed through profit and loss**	**Recognised / reversed through OCI**	**As at 31 March 2021**
Deferred tax assets / (liabilities) arising on account of :				
Provision for employee benefits and others provisions/ liabilities deductible on actual payment	3,351	201	(56)	**3,496**
Allowances for expected credit loss- trade receivables and advances/loans	8,095	869	-	**8,964**
Expense disallowed u/s 35DD of Income Tax Act, 1961	988	(491)	-	**497**
Unabsorbed depreciation*	52,507	(11,902)	-	**40,605**
Receivables, financial assets and liabilities at amortised cost	817	(937)	-	**(120)**
Property, plant and equipment and intangible assets	49,018	(37,443)	-	**11,575**
	114,776	**(49,704)**	**(56)**	**65,017**

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Movement in deferred tax assets/(liabilities) for the year ended 31 March 2020	As at 1 April 2019	Recognised / reversed through profit and loss	Recognised / reversed through OCI	As at 31 March 2020
Deferred tax assets/(liabilities) arising on account of :				
Provision for employee benefits and others provision/ liabilities deductible on actual payment	4,008	(633)	(24)	**3,351**
Allowances for expected credit loss- trade receivables and advances/loans	9,367	(1,272)	-	**8,095**
Expense disallowed u/s 35DD of Income Tax Act, 1961	1,817	(829)	-	**988**
Unabsorbed depreciation*	58,081	(5,574)	-	**52,507**
MAT credit entitlement	1,902	(1,902)	-	**-**
Receivables, financial assets and liabilities at amortised cost	(341)	1,158	-	**817**
Unamortised borrowing costs	488	(488)	-	**-**
Property, plant and equipment and intangible assets	26,228	22,790	-	**49,018**
	101,550	**13,251**	**(24)**	**114,776**

* Deferred tax assets on unabsorbed depreciation/ brought forward losses is recognised only to the extent of probability of availability and certainty of future taxable profits with convincing evidence

Note:

During the previous year, the Group has elected to exercise the option permitted under section 115BAA of the Income-tax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Group have re-measured the deferred tax assets/liabilities on the basis of the rates prescribed in that section. This has resulted in a reversal of deferred tax assets to the extent of ₹ 27,957 lacs on account of re-measurement of deferred tax assets/ liabilities pertaining to the previous period. Additionally MAT credit entitlement of ₹ 1,902 lacs has been reversed due to implementation of tax ordinance.

14. Current tax assets (net)	As at 31 March 2021	As at 31 March 2020
Income tax (net of provision of ₹ 6,550 lacs, 31 March 2020: ₹ 9,632 lacs)	**9,645**	9,897
	9,645	9,897

15. Other non current assets	As at 31 March 2021	As at 31 March 2020
Capital advances (refer note 9)	**68,821**	69,527
Advances other than capital advances:		
Balance with statutory authorities*	**14,659**	14,215
Prepaid expenses	**255**	79
	83,735	83,821

* represent amount paid under protest netted off provision recognised ₹ 609 lacs (31 March 2020: ₹ 609 lacs)

16. Inventories (valued at the lower of cost and net realisable value)	As at 31 March 2021	As at 31 March 2020
Customer premises equipment related accessories and spares	**2,118**	2,201
	2,118	2,201

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

17. Trade receivables

	As at 31 March 2021	As at 31 March 2020
Trade receivables - considered good, unsecured	**9,305**	8,684
Trade receivables - credit impaired	**10,332**	8,039
	19,637	16,723
Less: allowances for expected credit loss (refer note 49B)	**(10,332)**	(8,039)
	9,305	8,684

Trade receivable have been pledged as security for borrowings, refer note 25 and 29.

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

18. Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
Balances with banks:-		
In current accounts	**5,574**	11,269
In deposit accounts with original maturity of less than three months	**3,561**	-
Cheques, drafts on hand	**256**	-
Cash on hand	**6**	2
	9,397	11,271

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

19. Other bank balances

	As at 31 March 2021	As at 31 March 2020
In current accounts#	**0**	0
Deposits with maturity of more than 3 months but less than 12 months	**6,087**	3,292
Unpaid dividend account*	**63**	63
	6,150	3,355

₹ 0.42 lacs (31 March 20: ₹ 0.42 lacs) in share call money accounts in respect of right issue (refer note 59).
* Not due for deposit to the Investor Education and Protection Fund

20. Loans (current)

	As at 31 March 2021	As at 31 March 2020
Security deposits (unsecured, considered good)*		
Others	**1,872**	1,607
	1,872	1,607

* The carrying values are considered to be reasonable approximation of fair values.

21. Other financial assets (current)

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good unless otherwise stated		
Interest accrued but not due on fixed deposits	**108**	131
Others		
Considered doubtful	**4,125**	4,125
Less: provision for expected credit loss	**(4,125)**	(4,125)
	108	131

The carrying values are considered to be reasonable approximation of fair values.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

22. Other current assets

	As at 31 March 2021	As at 31 March 2020
Advances other than capital advances:		
Balance with statutory authorities	**9,161**	6,209
Prepaid expenses	**1,450**	1,713
Amount recoverable in cash or in kind*	**33,247**	33,190
	43,858	41,112

* Includes amount nil (31 March 2020: ₹ 1,410 lacs) advanced to related party

23. Equity share capital

	As at 31 March 2021	As at 31 March 2020
Authorised		
6,500,000,000 (31 March 2019: 6,500,000,000) equity shares of ₹ 1 each	**65,000**	65,000
Increased during the year nil (31 March 2020: nil) equity shares of ₹ 1 each	**-**	-
6,50,00,00,000 (31 March 2020: 6,500,000,000) equity shares of ₹ 1 each	**65,000**	65,000
Issued		
1,923,816,997 (31 March 2020: 1,923,816,997) equity shares of ₹ 1 each, fully paid up	**19,238**	19,238
Subscribed and fully paid up*		
1,841,253,953 (31 March 2020: 1,841,253,953) equity shares of ₹ 1 each, fully paid up	**18,413**	18,413
Subscribed but not fully paid up		
33,561 (31 March 2020: 33,561) equity shares of ₹ 1 each, fully called up (refer footnote b)	**0**	0
Less: calls in arrears (other than from directors/ officers)**	**(0)**	(0)
	18,413	18,413

* Difference in number of shares issued and number of shares subscribed is on account of shares held in abeyance (refer footnote h below)

** ₹ 13,169 (₹ 13,169 as on 31 March 2020)

Footnotes:

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	Nos.	Nos.
Shares at the beginning of the year	**1,841,287,514**	1,841,287,514
Add: Issued during the year under employees stock option plan	**-**	-
Shares at the end of the year	**1,841,287,514**	1,841,287,514

b) Detail of shares not fully paid-up

14,446 (31 March 2020: 14,446) equity shares of ₹ 1 each, ₹ 0.75 paid up
19,115 (31 March 2020: 19,115) equity shares of ₹ 1 each, ₹ 0.50 paid up.

c) Rights, preferences, restrictions attached to the equity shares

The Parent Company has only one class of equity shares, having a par value of Re. 1 per share. Each shareholder is eligible to one vote per fully paid equity share held (i.e. in proportion to the paid up shares in equity capital). The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

d) Details of shareholders holding more than 5% shares of the Parent Company

Name	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% holding in the Company	Number of shares	% holding in the Company
World Crest Advisors LLP	**7,902,100**	**0.43%**	502,605,389	27.30%
Direct Media Distribution Ventures Private Limited	**63,527,836**	**3.45%**	360,858,748	19.60%
Deutsche Bank Trust Company Americas*	**113,424,642**	**6.16%**	114,737,928	6.23%
Catalyst Trusteeship Limited	**445,348,990**	**24.19%**	-	-

Shareholding disclosed above does not include shares issued but kept in abeyance as at the balance sheet date due to the reasons stated in foot note (h) below

* In terms of the Scheme, the Board of Directors of the Parent Company at their meeting held on 26 March 2018 issued and allotted equity shares to the shareholders of Videocon D2H Limited (D2H), including Deutsche Bank Trust Company Americas, which held the underlying equity shares of D2H against which American Depository Shares ("ADSs") were issued and listed on Nasdaq Global Market ("Nasdaq"). In terms of the Scheme, the said ADSs were to be voluntarily delisted from Nasdaq. Accordingly, the said ADS were delisted from Nasdaq and in terms of the Scheme, the ADS holders of D2H were issued Global Depositary Receipts (the "GDRs") of Dish TV India Limited.

e) Subscribed and fully paid up shares include:

2,623,960 (31 March 2020: 2,623,960) equity shares of Re. 1 each, fully paid up, issued to the employees, under Employee Stock Option Plan, i.e., ESOP 2007.

f) 18,000,000 equity shares of Re. 1 each are reserved for issue under Employee Stock Option Plan 2018. (refer note 45 for terms and amount etc.)

g) Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

(i) The Parent Company has issued 85,7785,642 numbers of shares under the scheme of merger, out of which 775,256,159 numbers of shares have been allotted during the previous years without payment being received in cash (also refer footnote (h) below); and

(ii) Other than aforementioned, no share has been allotted by way of bonus issues and no share has been bought back in the current year and preceding five years

h) The allotment of 82,529,483 equity shares of the Parent Company has been kept in abeyance, due to litigation, till such time the claim over the title of the share is ascertained by appropriate statutory or judicial bodies.

24. Other equity

	As at 31 March 2021	As at 31 March 2020
Retained earnings		
Balance at the beginning of the year	**(270,578)**	(106,767)
Loss for the year	**(117,760)**	(163,882)
	(388,338)	(270,649)
Items of the other comprehensive income recognised directly in retained earnings		
Add: Remeasurement of post employment benefits (net of taxes)	**164**	71
Balance at the end of the year	**(388,174)**	(270,578)

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

24. Other equity (Contd.)	As at 31 March 2021	As at 31 March 2020
Securities premium		
Balance at the beginning of the year	**633,613**	633,613
General reserves		
Balance at the beginning and end of the year	**1,849**	1,849
Shares Options Outstanding Account		
Balance at the beginning of the year	**331**	195
Add: Share based payments to employees during the year	**58**	136
Balance at the end of the year	**389**	331
Other components of equity		
Shares kept in abeyance (refer note 23 (h))	**825**	825
Foreign Currency Translation Reserve		
Balance at the beginning of the year	**528**	870
Foreign Currency Translation adjustments	**1,790**	(488)
Non Controlling interest share in translation difference	**(537)**	146
Balance at the end of the year	**1,781**	528
	250,283	366,568

Nature and purpose of other reserves

Retained earnings

Retained earnings are created from the profit / loss of the Group, as adjusted for distributions to owners, transfers to other reserves, etc.

Securities premium account

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

General reserve

Balance pursuant to the scheme of arrangement and re organisation of share capital as approved by Hon'ble high court of judicature at Bombay and high court of judicature at New Delhi vide their order dated 12 January 2007 and 19 January 2007 respectively.

Shares options outstanding account

The reserve account is used to recognise the amortisation of grant date fair value of options issued to employees (including employees of subsidiary company) under employee stock option plan over the vesting period.

Other component of equity

The shares issued under merger but not allotted are kept in abeyance.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net liabilities of foreign subsidiary from their functional currency to the group's presentation currency (the INR) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserves.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

25. Borrowings (non-current)	As at 31 March 2021	As at 31 March 2020
From banks (Secured)		
- Term loan	**59,534**	120,101
- Buyers' credit	**-**	14,647
	59,534	134,748
Less: Current maturities of long term borrowings (refer note 31.1)	**(32,676)**	(78,704)
	26,858	56,044

Repayment terms, rate of interest and nature of security for the outstanding long term borrowing as on 31 March 2021 and 31 March 2020

Nature of security

A) Term loans-Secured

Term loan of ₹ 59,534 lacs (31 March 2020: ₹ 120,101 lacs)

(i) Term loan of ₹ 29,053 lacs from Axis Bank (31 March 2020: ₹ 38,652 lacs) , balance amount is repayable in 9 quarterly instalments. Last instalment due in the month of June 2023. The rate of interest is linked to 12 months marginal cost of funds-based lending rate (MCLR) plus a spread of 1%per annum.

(ii) Term loan of nil from Axis Bank (31 March 2020: ₹ 25,648 lacs), has been fully repaid during the current financial year. The rate of interest is linked to 12 months MCLR plus a spread of 1%per annum.

(iii) Term loan of ₹ 20,321 lacs from Axis Bank (31 March 2020: ₹ 31,085 lacs) , balance amount is repayable in 9 quarterly instalments. Last instalment due in the month of June 2023. The rate of interest is linked to 12 months MCLR plus a spread of 1%per annum.

(iv) Term loan of nil from RBL Bank (31 March 2020: ₹ 10,067 lacs), has been fully repaid during the current financial year. Last instalment due in the month of March 2021. The rate of interest is linked to 1 month MCLR.

(v) Term loan of ₹ 10,160 lacs from RBL Bank (31 March 2020: ₹ 14,649 lacs) , balance amount is repayable in 9 quarterly instalments. Last instalment due in the month of June 2023. The rate of interest is linked to 1 month MCLR.

Above facilities (i) to (v) are secured by:

(a) First pari passu charge over all, present future, moveable fixed assets and current assets of the borrower subject to a minimum asset cover ratio of 1.25 time.

(b) Unconditional and irrevocable Corporate guarantee of the Parent Company

(c) Charge on debt service reserve account

(d) In future, if the gross block of immovable properties crosses ₹ 50 crore, the same shall be charged to be lenders on pari passu basis. The charges to be created in favour of the Security Trustee for the benefit of the lenders and the Trustee would give NOC for creating first/second charge to the other lenders after taking necessary approval from lenders. Any additional collateral security other those mentioned herein above offered by borrower to other lenders (in case of pari passu charge) shall also be available to the bank.

B) Buyer's credits-Secured

(i) Facility of nil from ICICI Bank (31 March 2020: ₹ 13,559 lacs)

For the year ended 31 March 2020

Buyer's credit of ₹ 13,559 lacs comprises of several loan transactions starts ranging between December 2015 to September 2017 and repayable in full on maturity dates falling between April 2020 to September 2020.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Interest on buyer's credit is payable in half yearly instalments ranging from Libor plus 64 bps to Libor plus 85 bps.

Above facility is secured by:

(a) First pari-passu charge on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges by way of hypothecation on the subsidiary Company's entire current assets which would include stock of raw materials, semi finished and finished good, consumable stores and spares and such other movables, including book debts, bills, outstanding monies receivables (both present and future) in a form and manner satisfactory to the bank.

(c) First pari-passu charge on all movable fixed assets of the Group.

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Parent Company.

(ii) Facility of nil from Yes Bank (31 March 2020: ₹ 1,088 lacs)

For the year ended 31 March 2020

Buyer's credit of ₹ 1,088 lacs comprises of several loan transactions ranging between April 2017 to September 2017 and repayable in full on maturity dates falling in April 2020.

Interest on buyer's credit is payable in half yearly instalments ranging from Libor plus 65 bps to Libor plus 75 bps.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE) (both present and future).

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future).

(c) First pari-passu charges on all movable and immovable fixed assets (both present and future).

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(e) Corporate guarantee is given by Parent Company.

26. Other financial liabilities (non-current)

	As at 31 March 2021	As at 31 March 2020
Lease liability (refer note 55)	**183**	177
	183	177

27. Provisions (non-current)

	As at 31 March 2021	As at 31 March 2020
Provisions for employee benefits		
Leave encashment (refer note 47)	**955**	964
Gratuity (refer note 47)	**1,567**	1,628
	2,522	2,592

28. Other non current liabilities

	As at 31 March 2021	As at 31 March 2020
Income received in advance	**1,167**	3,184
	1,167	3,184

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

29. Borrowings (current)	As at 31 March 2021	As at 31 March 2020
From banks (secured)		
Term loan	**5,250**	22,240
Cash credit	**15,102**	21,456
Buyers' credit	**1,102**	-
	21,454	43,696

A) Short term loan

Term loan of ₹ 5,250 lacs from Yes Bank (31 March 2020: ₹ 10,500 lacs), balance amount is repayable in two equal monthly instalments. Last instalment is due in May 2021. The rate of interest is 12 month MCLR+ 0.80%.

Term loan from Yes Bank amounting ₹ 11,740 lacs as on 31 March 2020 fully reapaid during current financial year. The rate of interest is 12 month marginal cost of funds-based lending rate (MCLR) + 0.80%.

Above facility is secured by:

(a) First pari-passu charges on Parent Company's current assets (both present and future);

(b) Personal guarantee of Mr. Jawahar Lal Goel, Chairman and Managing Director of the Parent Company

(c) No objection certificate (NOC) cum letter ceding pari passu charge from existing lenders to be obtained within 180 days from the date of first disbursement.

B) Cash credit

(i) The Group has taken cash credit facility of ₹ 3,254 lacs (31 March 2020: ₹ 7,605) for meeting temporary cash flow mismatches/vendor payments from Yes Bank. The rate of interest is 12 month MCLR+ 0.80% .

Above facility is secured by:

(a) First pari-passu charges on subsidiary Company's current assets (both present and future);

(b) Personal guarantee of Mr. Jawahar Lal Goel, Chairman and Managing Director of the Parent company

(c) NOC cum letter ceding pari passu charge from existing lenders to be obtained within 180 days from the date of first disbursement.

(ii) The Group has taken cash credit facility of ₹ 3,099 lacs (31 March 2020: ₹ 4,020 lacs) from Axis bank for general business purposes. The rate of interest is 3 month MCLR+ 1.70%.

Above facility is secured by:

(a) 'First pari-passu charges on all movable and immovable fixed assets (both present and future);

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future);

(c) Corporate guarantee is given by Parent Company.

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

(iii) The Group has taken cash credit facility of ₹ 8,749 lacs from RBL Bank (31 March 2020: ₹ 9,831 lacs) for general business purposes. The rate of interest is 3 months MCLR + 1.00%.

Above facility is secured by:

(a) First pari-passu charges on consumer premises equipment (CPE) (both present and future);

(b) First pari-passu charges on all current assets including stock of raw materials, semi finished and finished goods, consumable stores and spares and such other movable including book debts, bills, outstanding monies receivables (both present and future);

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

(c) 'First pari-passu charges on all movable and immovable fixed assets (both present and future);

(d) Assignment of insurance policies pertaining to CPE charged, current assets and movable fixed assets.

C) Buyer's credits-Secured

(i) Facility of ₹ 1,102 lacs from RBL Bank (31 March 2020: nil)

For the year ended 31 March 2021

Buyer's credit of ₹ 1,102 lacs is repayable in full on maturity date falling in May 21. The rate of interest is 6 month LIBOR+ 1.50%.

Above facility is secured by:

(a) First pari-passu charge over entire current assets, movable fixed assets (including but not limited to Consumer premises equipments (ie. CPEs) immovable fixed assets of the borrower (both present and future)

(b) Corporate guarantee is given by Parent Company.

29.1 Reconciliation of liabilities arising from financing activities

Particulars	Borrowings (non-current)	Borrowings (current)
As at 1 April 2019	**206,682**	**69,142**
Cash flows:		
Repayment of borrowings	(71,955)	(42,946)
Proceeds from borrowings	-	17,500
Non-cash:		
Foreign currency fluctuation impact	800	-
Impact of borrowings measured at amortised cost	(779)	-
As at 31 March 2020	**134,748**	**43,696**
Cash flows:		
Repayment of borrowings	(74,357)	(22,242)
Non-cash:		
Foreign currency fluctuation impact	331	-
Impact of borrowings measured at amortised cost	(1,188)	-
As at 31 March 2021	**59,534**	**21,454**

30. Trade payables	**As at 31 March 2021**	As at 31 March 2020
Total outstanding dues of micro enterprises and small enterprises (refer note below)	**536**	109
Total outstanding dues of creditors other than micro enterprises and small enterprises	**118,699**	128,999
	119,235	129,107

Dues to small and micro enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006 #:

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	**536**	109
ii) the amount of interest paid by the buyer under MSMED Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	**-**	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	**-**	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	**-**	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006.	**-**	-

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Group. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

31. Other financial liabilities (current) #	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term borrowings (refer note 25 and 31.1)	**32,676**	78,704
Interest accrued but not due on borrowings	**510**	1,242
Lease liability (refer note 55)	**14**	14
Unpaid dividend*	**63**	63
Advance from customers	**-**	228
Security deposit received	**35**	74
Employee related liabilities	**1,608**	2,063
Capital creditors	**16,159**	15,034
Commission accrued	**2,394**	2,776
Book overdraft	**5,249**	8,137
Derivatives not designated as hedge	**-**	(613)
	58,708	107,722

The carrying values are considered to be reasonable approximation fair values.

* Not due for deposit to the Investor Education and Protection Fund.

31.1 Current maturities of long term borrowings	As at 31 March 2021	As at 31 March 2020
From banks (secured)		
Term loans	**32,676**	64,057
Buyers' credits	**-**	14,647
	32,676	78,704

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

32. Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Income received in advance	**23,966**	34,654
Statutory dues payable	**11,978**	22,036
Other advance from customers	**22,704**	23,874
Money received against partly paid up shares*	**0**	0
	58,648	80,564

* ₹ 42,451 as on 31 March 2021 and ₹ 42,451 as on 31 March 2020 (rounded off to ₹ lacs)

33. Provisions (current)

	As at 31 March 2021	As at 31 March 2020
Provisions for employee benefits		
Leave encashment (refer note 47)	**135**	144
Gratuity (refer note 47)	**291**	302
Others provisions		
License fees including interest (refer note 56)	**374,017**	357,577
	374,443	358,023

34. Assets held for sale and liabilities associated thereto

The details of assets classified as held for sale and liabilities associated thereto are as under:

	As at 31 March 2021	As at 31 March 2020
Assets pertaining to subsidiary held for sale:		
Property, plant and equipment	**808**	-
Capital work in progress	**18**	-
Other non-current financial assets	**3**	-
Other non-current assets	**0**	-
Inventories	**21**	-
Trade receivables	**6**	-
Cash and cash equivalents	**19**	-
Other current assets	**15**	-
Total	**890**	-
Liabilities directly associated with assets classified as held for sale:		
Non-current provisions	**6**	-
Trade payables	**2,335**	-
Other financial liabilities	**115**	-
Current provisions	**1**	-
Other current liabilities	**1**	-
Total	**2,458**	-

Note:

The Board at its meeting held on January 29, 2021 approved the sale of its entire equity investment ("investment") in its subsidiary viz. Dish T V Lanka (Private) Limited ("Dish Lanka"), a Company incorporated in Sri Lanka. On 30 March 2021, the Company and its subsidiary entered into a Share sale agreement to sell its investment to Union Network International (Private) Limited ("purchaser") subject to requisite regulatory approvals. Transaction is expected to be completed in the next 12 months. Pending transfer of investment to purchaser, all assets pertaining to Dish Lanka along with liabilities directly associated with these assets has been classified as held for sale in consolidated financial statements.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

35. Revenue from operations

	Year ended 31 March 2021	Year ended 31 March 2020
Sale of services:		
Subscription revenue	**129,195**	113,605
Infra support service	**161,366**	193,352
Lease rentals	**1,374**	3,904
Performance incentive	**8,176**	12,328
Teleport services	**2,636**	1,394
Marketing and promotional fee	**15,210**	19,220
Advertisement income	**3,397**	5,517
Other operating revenue	**3,582**	6,314
	324,936	355,634

Disclosure of revenue pursuant to Ind AS 115- Revenue from contract with customers

A. Reconciliation of revenue from rendering of service with the contracted price

	Year ended 31 March 2021	Year ended 31 March 2020
Contracted price	**324,936**	355,634
	324,936	355,634

B. Disaggregation of revenue

	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operation*		
Subscription revenue from direct to home subscribers	**129,195**	113,605
Infra support service	**161,366**	193,352
Lease rentals	**1,374**	3,904
Performance incentive	**8,176**	12,328
Teleport services	**2,636**	1,394
Marketing and promotional fee	**15,210**	19,220
Advertisement income	**3,397**	5,517
	321,354	349,320
Other operating revenue (majorly service spares and sale of CPE and accessories revenue)	**3,582**	6,314
Total revenue covered under Ind AS 115	**324,936**	355,634

* The Group has disaggregated the revenue from contracts with customers on the basis of nature of services. The Group believes that the disaggregation of revenue on the basis of nature of services have no impact on the nature, amount, timing and uncertainty of revenue and cash flows.

C. Contract balances

The following table provides information about receivables and contract liabilities from contract with customers

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Contract liabilities		
Advance from customer (income received in advance and other advance)	**47,837**	61,712
	47,837	61,712
Receivables		
Trade receivables	**19,637**	16,723
Less: allowances for expected credit loss	**(10,332)**	(8,039)
	9,305	8,684

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

D. Significant changes in the contract liabilities balances during the year are as follows:

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance	**61,712**	64,646
Addition during the year	**44,653**	58,084
Revenue recognised during the year	**58,528**	61,018
Closing balance	**47,837**	61,712

36. Other income

	Year ended 31 March 2021	Year ended 31 March 2020
Interest income from:		
- fixed deposits/ margin accounts	**308**	578
- financial asset measured at amortised cost	**30**	43
- income tax refund	**171**	76
- others	**337**	4
Liabilities written back	**16**	69
Miscellaneous income	**698**	591
	1,560	1,361

37. Changes in inventories of stock-in-trade (CPE related accessories/ spares)

	Year ended 31 March 2021	Year ended 31 March 2020
.Opening stock	**2,201**	2,471
Less: Closing stock	**2,138**	2,201
	63	270

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

38. Operating expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Transponder lease	**27,544**	29,384
License fees	**17,327**	16,519
Uplinking charges	**795**	588
Programming and other costs	**10,415**	10,771
Call centre service	**12,324**	19,995
Other operating costs	**1,554**	1,473
	69,959	78,730

39. Employee benefits expense

	Year ended 31 March 2021	Year ended 31 March 2020
Salaries	**14,269**	17,930
Contribution to provident and other funds	**688**	854
Share based payments to employees	**67**	169
Staff welfare expenses	**273**	358
	15,297	19,311

40. Finance costs

	Year ended 31 March 2021	Year ended 31 March 2020
Interest on:		
- Term loans from banks	**9,823**	18,500
- Overdraft facility from bank	**2,202**	2,894
- Buyer's credits from banks	**158**	2,366
- Regulatory dues	**26,896**	26,476
- Others	**449**	3,248
Other finance charges	**2,309**	3,038
	41,837	56,522

41. Depreciation and amortisation expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation	**138,996**	127,998
Amortisation	**14,195**	14,623
	153,191	142,621

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

42. Other expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Electricity charges	**952**	1,147
Rent	**1,675**	1,897
Repairs and maintenance		
- Plant and equipments	**449**	890
- Consumer premises equipments	**2,365**	2,694
- Building	**16**	24
- Others	**95**	621
Insurance	**321**	244
Rates and taxes	**75**	547
Legal and professional fees (refer note 57)	**4,169**	4,878
Director's sitting fees	**51**	48
Corporate social responsibility activity expenses	**89**	-
Printing and stationary	**36**	150
Communication expenses	**2,004**	2,107
Travelling and conveyance	**681**	1,585
Service and hire charges	**1,161**	1,499
Advertisement and publicity expenses	**5,495**	7,832
Business promotion expenses	**5,006**	5,663
Customer support services	**3**	49
Commission	**4,446**	7,180
Bad debts and balances written off	**965**	272
Provision for expected credit loss	**2,200**	3,132
Foreign exchange fluctuation (net)	**467**	1,581
Loss on disposal of property, plant and equipment (net)	**-**	192
Loss on sale/discard of capital work-in-progress (net)	**3,267**	1,084
Miscellaneous expenses	**1,078**	1,335
	37,066	46,651

43. Exceptional items

	Year ended 31 March 2021	Year ended 31 March 2020
Impairment of goodwill (refer note 7)	**57,897**	191,550
Impairment of trademark/brand (refer note 8)	**20,084**	-
	77,981	191,550

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

44. Despite of the outbreak of Coronavirus (COVID-19) leading to consequential lock down across the country during the year and further restrictions imposed by many State Governments subsequent to year-end due to spread of Covid-19 second wave, the Group has continued to operate and provide 'Direct to Home' (DTH) services to its customer without any disruptions. The Group has evaluated its liquidity position and recoverability and carrying value of its assets, including planned investments and has concluded that no material adjustments is required at this stage in the financial results. However, given the uncertainties in the economic environment, management's impact assessment is subject to significant estimation, uncertainties, and accordingly, the actual results in future may be different from those estimated as at the date of approval of these financial results. Considering that it is a dynamic and evolving situation, the management will continue to monitor any material changes to the future economic conditions and consequential impact on its business/operations.

45. Employee stock option plan (ESOP) 2018

At the board meeting held on 25 October 2018, the board of directors of the Parent Company had approved Employee Stock Option Plan, i.e., ESOP 2018 ("the Scheme"). The Scheme provided for issuance of 1,80,00,000 stock options (underlying fully paid equity share of Re.1 each) to all the permanent employees or Directors of the Parent Company, whether whole-time or not, or to employee of a subsidiary company or of a Parent company or of an associate company except an employee who is a Promoter or belongs to the Promoter Group, a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the issued and subscribed shares of the Parent Company and the Independent Director at an exercise price equal to the 'market price 'which shall be the latest available closing price, prior to the date of the meeting of the nomination and remuneration committee, in which options are granted on the stock exchange on which the shares of the Parent Company are listed.

The options will be granted at an exercise price equal to the 'market price 'which shall be the latest available closing price, prior to the date of the meeting of the nomination and remuneration committee, in which options are granted on the stock exchange on which the shares of the Parent Company are listed.

Under ESOP 2018, the Parent Company will issue fresh equity shares as and when the Vested Options are exercised by the option grantees. Each option shall be convertible into one Share of the Parent Company upon exercise.

The total number of options that may be granted to any specific employee under one or more tranches during any one year shall not exceed 10,00,000 stock options and options that may be granted to any specific employee in aggregate shall not exceed 50,00,000 stock options

Options granted under ESOP 2018 would vest not earlier than one year and not later than four years from the date of Grant of such Options. The vesting shall happen every year equally i.e. 25% of the number of options granted, for 4 years from the date of grant of the options.

The Nomination and Remuneration Committee of the Parent Company at its meeting held on 25 October 2018 has approved the grant of 33,60,000 stock option at an exercise price of ₹ 44.85 per option to the eligible employees under the scheme having weighted average fair value of ₹ 13.87. Further, on 24 May 2019, the Nomination and Remuneration Committee of the Parent Company has approved the grant of additional 8,60,000 stock option at an exercise price of ₹ 30.45 per option to eligible employees under ESOP Plan 2018 having weighted average fair value of ₹ 15.20.

The activity relating to the options granted and movements therein are set out below:

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Weighted Avg. Price	**(Nos.)**	**Weighted Avg. Price**	**(Nos.)**
Options outstanding at the beginning of the year	**-**	**3,185,000**	-	3,298,000
Add: Options granted	**-**	**-**	30.45	860,000
Less: Lapsed	**34.53**	**378,000**	43.25	973,000
Options outstanding at the end of the year		**2,807,000**		3,185,000

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

The following table summarises information on the share options outstanding as of 31 March 2021:

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 1	25 October 2018	2,326,000	5.08	44.85
Lot 2	24 May 2019	481,000	5.66	30.45
Options outstanding at the end of the year		**2,807,000**	**5.18#**	**42.38#**

on a weighted average basis.

The following table summarises information on the share options outstanding as of 31 March 2020:

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 1	25 October 2018	2,433,000	6.08	44.85
Lot 2	24 May 2019	752,000	6.66	30.45
Options outstanding at the end of the year		**3,185,000**	**6.21#**	**41.45#**

on a weighted average basis.

The fair value of the options granted has been calculated on the date of grant using Black Scholes option pricing model with the following assumptions:

Particulars	As at 31 March 2020
Date of grant	**24 May 2019**
Number of options granted	**860,000**
Fair value on grant date (₹ per share)	**15.20**
Share price at grant date (₹ per share)	**31.20**
Expected volatility (%)	**47.98**
Expected life (no. of years)	**4.50**
Expected dividends (in %)	**-**
Risk-free interest rate (in %)(based on government bonds)	**6.91**

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. Each vest has been considered as a separate grant. The volatility for periods corresponding to the respective expected lives of the different vests, prior to the grant date has been considered. The daily volatility of the Parent Company's stock price on NSE over these years has been considered.

46. Employee stock option plan (ESOP) 2007

At the Annual General Meeting held on 3 August 2007, the shareholders of the Parent Company had approved Employee Stock Option Plan, i.e., ESOP 2007 ("the Scheme"). The Scheme provided for issuance of 4,282,228 stock options (underlying fully paid equity share of Re.1 each) to the employees of the Parent Company as well as that of its subsidiaries companies at the exercise price which shall be equivalent to the market price determined as per the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ['SEBI (ESOP) Guidelines, 1999'].

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

The options granted under the Scheme shall vest between one year to six years from the date of grant of options, with 20% vesting each year. Once the options vest as per the Scheme, they would be exercisable by the grantee at any time within a period of four years from the date of vesting and the shares arising on exercise of such options shall not be subject to any lock-in period.

The shareholders in their meeting held on 28 August 2008 approved the re-pricing of outstanding options which were granted till that date and consequently the outstanding options were re-priced at ₹ 37.55 per option, determined as per SEBI (ESOP) Guidelines, 1999.

However, in respect of options granted subsequent to 28 August 2008, the exercise price of the options has been maintained as equivalent to the market price determined as per the SEBI (ESOP) Guidelines, 1999.

As stated above, the options are granted to the employees at an exercise price, being the latest market price as per SEBI (ESOP) Guidelines, 1999.

Further, it was decided by the Nomination and Remuneration Committee at its meeting held on 17 August 2017, that new Stock options shall not be granted under the ESOP 2007 Scheme of the Parent Company. Accordingly, it was proposed to withdraw the existing Scheme and cancel the remaining options which are yet to be granted and, for the employees who have been granted the Stock Options (whether vested or not) shall be granted Options under the new Scheme. However, the employees who have been granted the Stock Options (whether vested or not) shall be allowed to exercise those stock options.

The activity relating to the options granted and movements therein are set out below:

Particulars	**For the year ended 31 March 2021**		For the year ended 31 March 2020	
	Weighted Avg. Price	**(Nos.)**	Weighted Avg. Price	(Nos.)
Options outstanding at the beginning of the year	**94.28**	**258,690**	94.28	258,690
Less: Lapsed	**72.10**	**44,290**	-	-
Options outstanding at the end of the year		**214,400**		258,690

The following table summarizes information on the share options outstanding as of 31 March 2021:

Particulars	**Date of grant**	**Number of shares remaining out of options**	**Remaining contractual life (year)**	**Exercise price (₹)**
Lot 1	21 August 2007	-	-	-
Lot 2	24 April 2008	-	-	-
Lot 3	28 August 2008	-	-	-
Lot 4	28 May 2009	-	-	-
Lot 5	27 October 2009	-	-	-
Lot 6	26 October 2010	-	-	-
Lot 7	21 January 2011	-	-	-
Lot 8	20 July 2011	-	-	-
Lot 9	19 July 2012	-	-	-
Lot 10	23 May 2013	-	-	-
Lot 11	26 July 2013	-	-	-
Lot 12	27 May 2014	-	-	-
Lot 13	29 October 2014	-	-	-
Lot 14	20 March 2015	24,000	1.97	79.35

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 15	26 May 2015	-	-	-
Lot 16	28 July 2015	-	-	-
Lot 17	23 May 2016	55,400	3.15	93.90
Lot 18	24 March 2017	95,000	3.99	108.15
Lot 19	24 May 2017	40,000	4.15	95.40
Options outstanding at the end of the year		**214,400**	**3.57#**	**98.87#**

on a weighted average basis.

The following table summarizes information on the share options outstanding as of 31 March 2020:

Particulars	Date of grant	Number of shares remaining out of options	Remaining contractual life (year)	Exercise price (₹)
Lot 1	21 August 2007	-	-	-
Lot 2	24 April 2008	-	-	-
Lot 3	28 August 2008	-	-	-
Lot 4	28 May 2009	-	-	-
Lot 5	27 October 2009	-	-	-
Lot 6	26 October 2010	-	-	-
Lot 7	21 January 2011	-	-	-
Lot 8	20 July 2011	-	-	-
Lot 9	19 July 2012	-	-	-
Lot 10	23 May 2013	28,290	2.65	68.00
Lot 11	26 July 2013	-	-	-
Lot 12	27 May 2014	-	-	-
Lot 13	29 October 2014	-	-	-
Lot 14	20 March 2015	40,000	2.97	79.35
Lot 15	26 May 2015	-	-	-
Lot 16	28 July 2015	-	-	-
Lot 17	23 May 2016	55,400	4.15	93.90
Lot 18	24 March 2017	95,000	4.99	108.15
Lot 19	24 May 2017	40,000	5.15	95.40
Options outstanding at the end of the year		**258,690**	**4.27#**	**94.28#**

on a weighted average basis.

47. Disclosure pursuant to Indian Accounting Standard 19 on "Employee Benefits"

Defined contribution plans

An amount of ₹ 651 lacs (previous year ₹ 789 lacs) and ₹ 2 lacs (previous year ₹ 5 lacs) for the year, have been recognized as expenses in respect of the Group's contributions to Provident Fund and Employee's State Insurance Fund respectively, deposited with the government authorities and have been included under "Employee benefits expenses".

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Defined benefit plans

Gratuity is payable to all eligible employees of the Group on superannuation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act or as per the Group's Scheme, whichever is more beneficial. The gratuity plan is partly funded and the Group has made contribution to the recognised funds in India.

Risk exposure

The defined benefit plans are typically based on certain assumptions and expose the Group to various risk as follows:

a) Salary risk- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

b) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

c) Discount rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

d) Mortality – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

e) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

The following table sets forth the status of the gratuity plan of the Group and the amounts recognised in the Balance Sheet and Statement of Profit and Loss:

i) Changes in present value of obligation

Particulars	31 March 2021	31 March 2020
Present value of obligation as at the beginning of the year	**2,260**	2,373
Interest cost	**153**	181
Current service cost	**280**	310
Benefits paid	**(262)**	(509)
Actuarial gain on obligation	**(220)**	(95)
Present value of obligation as at the end of the year	**2,211**	2,260

ii) Changes in fair value of plan assets

Particulars	31 March 2021	31 March 2020
Fair value of plan assets at the beginning of period	**330**	308
Actual return on plan assets	**23**	23
Benefits paid	**-**	(1)
Fair value of plan assets as at end of the year	**353**	330

iii) Major categories of plan assets

The Group's plan assets primary comprise of qualifying insurance policies issued by life insurance corporation of India amounting to ₹ 353 lacs (previous year ₹ 330 lacs) for defined benefit obligation.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

iv) Amount of provision recognised in Balance sheet

Particulars	31 March 2021	31 March 2020
Present value of obligation as at end of the year	**2,211**	2,260
Fair value of plan assets as at end of the year	**353**	330
Unfunded liability/provision in balance sheet	**1,858**	1,930
Current	**291**	302
Non-current	**1,567**	1,628

v) Amount recognised in the Statement of profit and loss:

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	**280**	310
Interest cost on benefit obligation	**153**	181
	433	491

vi) Amount recognized in the statement of other comprehensive income

Particulars	As at 31 March 2021	As at 31 March 2020
Net actuarial gain recognised in the year	**(220)**	(95)
	(220)	(95)
Bifurcation of actuarial Gain		
Actuarial (gain)/loss arising from change in demographic assumption	**-**	2
Actuarial loss arising from change in financial assumption	**-**	135
Actuarial gain arising from experience adjustment	**(220)**	(232)

vii) The principal assumptions used in determining gratuity for the Group's plans are shown below

Particulars	As at 31 March 2021	As at 31 March 2020
Retirement age (years)	**60**	60
Discount rate	**6.80%**	6.80%
Salary escalation rate (per annum)	**10.00%**	10.00%
Withdrawal rates		
Age- Upto 30 years	**20.00%**	20.00%
31-44 years	**12.50%**	12.50%
Above 44 years	**8.00%**	8.00%
Mortality rate	**100% of IALM (2012-14)**	100% of IALM (2012-14)

These assumptions were developed by the management with the assistance of independent actuarial appraisers.

Discount rate: The discount rate is estimated based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.

Salary escalation rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, promotion and other relevant factors.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

viii) Maturity profile of defined benefit obligation

	Year	As at 31 March 2021	As at 31 March 2020
a)	0 to 1	**291**	302
b)	1 to 2	**221**	204
c)	2 to 3	**197**	218
d)	3 to 4	**226**	178
e)	4 to 5	**143**	200
f)	5 to 6	**122**	123
g)	6 year onwards	**1,011**	1,031

ix) Sensitivity analysis of the defined benefit obligation for significant actuarial assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
Impact of the change in discount rate		
Present value of obligation at the end of the year	**2,211**	2,260
Decrease in liability due to increase of 0.5 %	**(79)**	(82)
Increase in liability due to decrease of 0.5 %	**84**	88
Impact of the change in salary escalation rate		
Present value of obligation at the end of the year	**2,211**	2,260
Increase in liability due to increase of 0.5 %	**81**	85
Decrease in liability due to decrease of 0.5 %	**(77)**	(80)

Other long term employment benefits

The liability towards compensated absence for the year ended 31 March 2021 base on the actuarial valuation carried out by using projected unit credit method stood at ₹ 1,090 lacs (previous year ₹ 1,108 lacs).

The principal assumptions used in determining compensated absences are shown below

Particulars	As at 31 March 2021	As at 31 March 2020
Retirement age (years)	**60**	60
Mortality rate	**100% of IALM (2012-14)**	100% of IALM (2006-08)
Ages		
Withdrawal rates		
Age- Upto 30 years	**20.00%**	20.00%
31-44 years	**12.50%**	12.50%
Above 44 years	**8.00%**	8.00%
Leave		
Leave availment rate	**3%**	3%
Leave lapse rate while in service	**Nil**	Nil
Leave lapse rate on exit	**Nil**	Nil
Leave encashment rate while in service	**5%**	5%

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

48. Financial instruments measured at fair value

A. Fair value hierarchy

The financial assets and liabilities measured at fair value in the statement of financial position are divided in to three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: the fair value of financial instruments that are not traded in active market is determined using valuation technique which maximise the use of observable market data rely as low as possible on entity specific estimate.

Level 3: if one or more of the significant inputs are not based on observable market data, the instrument is included in level 3

B. Fair value of financial assets measured at fair value through other comprehensive income

Particulars	Level	31 March 2021	31 March 2020
Financial assets			
Equity shares Dr. Subhash Chandra Foundation**	Level 3	#	#

(# ₹ 10)

(**The carrying value of ₹ 10 as on 31 March 2021 (previous year ₹ 10), rounded off to Rs lacs, represents the best estimate of fair value.)

49. A. Financial instruments by category

Particulars	31 March 2021			31 March 2020		
	FVOCI	FVTPL	Amortised Cost	FVOCI	FVTPL	Amortised Cost
Financial assets						
Investment	#	-	-	#	-	-
Security deposits	-	-	2,580	-	-	2,686
Trade receivables	-	-	9,305	-	-	8,684
Cash and cash equivalents	-	-	9,397	-	-	11,271
Other financial assets	-	-	6,584	-	-	3,531
Total financial assets	-	-	27,866	-	-	26,172
Financial liabilities						
Borrowings (including interest)	-	-	81,498	-	-	179,686
Trade payables	-	-	119,235	-	-	129,108
Other financial liabilities	-	-	25,705	-	-	27,953
Total financial liabilities	-	-	226,438	-	-	336,747

(# ₹ 10)

The carrying value of financial assets and liabilities (Investment, security deposits, cash and cash equivalents, trade receivables, other financial assets, borrowings, financial guarantee liability, trade payables and other financial liabilities) recorded at amortised cost, considered to be a reasonable approximation of fair value.

Financial risk management

The Group is exposed to various risks and the main types of risks are credit risk, liquidity risk and market risk.

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(All amounts in ₹ lacs, unless otherwise stated)

The Group's risk management is coordinated in close co-operation with the board of directors, and focuses on securing Group's short to medium term cash flows.

This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in these consolidated financial statements.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation to the Group causing a financial loss. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost.

Credit risk management

Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Group continuously monitors defaults of the counterparties and incorporates this information into its credit risk controls.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Group provides for expected credit loss based on the following:

Asset group	Basis of categorization	Provision for expected credit loss
Low credit risk	Investment, cash and cash equivalents, loans, security deposits, other bank balances and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss
High credit risk	Trade receivables and other recoverable	Life time expected credit loss or fully provided for

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Credit rating	Particulars	31 March 2021	31 March 2020
Low credit risk	Investment, cash and cash equivalents, loans, security deposits, other bank balances and other financial assets	**18,561**	17,488
Moderate credit risk	Trade receivables	**9,305**	8,684
High credit risk	Trade receivables and other recoverable	**14,457**	12,164

Concentration of trade receivables

The Group has widespread customers and there is no concentration of trade receivables.

a) Expected credit losses

Provision for expected credit losses

The Group recognises lifetime expected credit losses on trade receivables using a simplified approach and uses historical information to arrive at loss percentage relevant to each category of trade receivables.

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(All amounts in ₹ lacs, unless otherwise stated)

Expected credit loss for trade receivables under simplified approach

As at 31 March 2021

Particulars	**Estimated gross carrying amount at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Trade receivables	19,637	(10,332)	9,305
Other financial assets	10,709	(4,125)	6,584

As at 31 March 2020

Particulars	**Estimated gross carrying amount at default**	**Expected credit losses**	**Carrying amount net of impairment provision**
Trade receivables	16,723	(8,039)	8,684
Other financial assets	7,656	(4,125)	3,531

Reconciliation of loss allowance provision – Trade receivable and other financial assets

Particulars	**Carrying amount net of impairment provision**
Loss allowance on 31 March 2020	**(12,164)**
Changes in loss allowance	(2,293)
Loss allowance on 31 March 2021	**(14,457)**

b) Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. Short term liquidity requirements comprises mainly of trade payables and employee dues arising during normal course of business as on each balance sheet date. Long-term liquidity requirement is assessed by the management on periodical basis and is managed through internal accruals and through funding commitments from shareholders.

c) Financing arrangements

Fixed rate	**31 March 2021**	**31 March 2020**
Expiring within one year (cash credit and other facilities-fixed rate)	-	-
Expiring beyond one year (loans)	-	-
	-	-

d) Maturity of financial liabilities

31 March 2021	**Less than 1 year**	**1 to 5 years**	**Later than 5 years**	**Total**
	₹ in lacs	**₹ in lacs**	**₹ in lacs**	**₹ in lacs**
Borrowings (including interest)	54,640	26,858	-	**81,498**
Trade payables	119,235	-	-	**119,235**
Other financial liabilities	25,522	36	147	**25,705**

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(All amounts in ₹ lacs, unless otherwise stated)

31 March 2020	Less than 1 year	1 to 5 years	Later than 5 years	Total
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
Borrowings (including interest)	123,642	56,044	-	**179,686**
Trade payables	129,108	-	-	**129,108**
Other financial liabilities	27,776	38	139	**27,953**

e) Market risk

i. Foreign currency risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the Group's functional currency.

Particulars	As at 31 March 2021		
	Currency type		
	GBP	EURO	USD
Advances recoverable	-	-	18
Trade receivables	-	-	296
Financial assets (A)	**-**	**-**	**314**
Loans and borrowings	-	-	9,883
Trade payables	0	4,577	1,989
Other current financial liabilities	-	-	2,625
Financial liabilities (B)	**0**	**4,577**	**14,497**
Net exposure (A-B)	**(0)**	**(4,577)**	**(14,183)**

Particulars	As at 31 March 2020	
	Currency type	
	EURO	USD
Advances recoverable	**-**	**22**
Trade receivables	**-**	**42**
Financial assets (A)	**-**	**64**
Loans and borrowings	**-**	**15,611**
Trade payables	**3,840**	**201**
Other current financial liabilities	**-**	**1,731**
Financial liabilities (B)	**3,840**	**17,543**
Net exposure (A-B)	**(3,840)**	**(17,479)**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	31 March 2021		
	Currency type		
	GBP	EURO	USD
Foreign exchange rate increased by 5%	**(0)**	**(229)**	**(709)**
Foreign exchange rate decreased by 5%	**0**	**229**	**709**

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(All amounts in ₹ lacs, unless otherwise stated)

Particulars	31 March 2020	
	Currency type	
	EURO	USD
Foreign exchange rate increased by 5%	**(192)**	**(874)**
Foreign exchange rate decreased by 5%	**192**	**874**

ii. Interest rate risk

Liabilities

a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2021	31 March 2020
Variable rate borrowings	**80,988**	178,444
Total borrowings	**80,988**	178,444

b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates

Particulars	31 March 2021	31 March 2020
Interest rates – increase by 50 basis points (31 March 2020 50 bps)	**(405)**	(892)
Interest rates – decrease by 50 basis points (31 March 2020 50 bps)	**405**	892

Assets

The Group's fixed deposits are carried at fixed rate. Therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

iii. Price risk

a) Exposure

The exposure to price risk arises from investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss.

b) Sensitivity

Further the Group is not exposed to any price risk as none of the equity securities held by the Group are classified as fair value through profit and loss or fair value through OCI.

50. Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31 March, 2021, the Group has only one class of equity shares and has reasonable debt. The Group's net debt consists interest bearing borrowings. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

The gearing ratios were as follows:

Particulars	31 March 2021	31 March 2020
Net debt	**80,988**	178,444
Total equity	**262,800**	379,774
Net debt to equity ratio	**0.31**	0.47

51. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

52. Taxation

The Group has elected to exercise the option permitted under section 115BAA of the Income-tax Act 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 during the previous financial year. Accordingly, the Group have re-measured the deferred tax assets/liabilities on the basis of the rates prescribed in that section. This has resulted in a reversal of deferred tax assets to the extent of ₹ 27,957 lacs on account of re-measurement of deferred tax assets/ liabilities pertaining to the previous period. Additionally MAT credit entitlement of ₹ 1,902 lacs has been reversed due to implementation of tax ordinance.

Particulars	For the year ended	
	31 March 2021	31 March 2020
Income tax recognised in statement of profit and loss		
Current tax	**(468)**	-
Deferred tax	**49,704**	(13,251)
Total income tax expense recognised in the current year	**49,236**	(13,251)

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.168% and the reported tax expense in statement of profit or loss are as follows:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Income tax recognised in statement of profit and loss		
Loss before tax	**(69,750)**	(178,735)
Income tax using domestic tax rate*	**25.168%**	25.168%
Expected tax expense (A)	**(17,555)**	(44,984)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax impact of exempted income		-
Tax impact of expenses on account of permanent differences	**1,431**	1,056
Adjustments in respect of capital gain tax rate	**-**	(3,281)
Tax impact on allowances in current year on actual basis	**(1,785)**	-
Tax pertaining to prior years and pursuant to adoption of the option permitted under section 115BAA of the Income-tax Act 1961	**(468)**	27,957
Tax impact on amendment by Finance Act 2021 related to depreciation on goodwill**	**66,642**	-
Tax impact on MAT-credit restricted	**-**	1,902
Others	**971**	4,099
Total adjustments (B)	**66,791**	31,733
Total Income-tax expense (A+B)	**49,236**	(13,251)

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(All amounts in ₹ lacs, unless otherwise stated)

* Domestic tax rate applicable to the Group has been computed as follows:

Basic tax rate	22.00%	22.00%
Surcharge (% of tax)	10.00%	10.00%
Cess (% of tax)	4.00%	4.00%
Applicable rate	25.168%	25.168%

** Pursuant to amendment by Finance Act 2021, under section 43(6)(c)(ii) of the Income-tax Act, 1961, deferred tax asset recorded on deductible temporary differences with regard to goodwill has been reversed, leading to impact of ₹ 66,642 Lacs on the tax expense for the current year ended 31 March 2021.

53. Segmental information

In line with the provisions of Ind AS 108 "Operating segments" and based on review of the operations done by the chief operating decision maker (CODM), the operations of the Group fall under Direct to Home ('DTH') and teleport services, which is considered to be the only reportable segment by the CODM.

As a part of reporting for geographical segments, the Group operates in two principal geographical areas of the world, i.e., within India and outside India. Revenue from external customers within India is ₹ 324,936 lacs (previous year ₹ 355,143 lacs) and from external customer outside India is nil (previous year 491 lacs). Further, non current assets (excluding financial instruments, deferred tax assets and post employment benefits assets) amounts to ₹ 788,727 lacs (previous year ₹ 975,236 lacs) for India and ₹ 826 lacs (previous year ₹ 1,387 lacs) outside India.

54. Related party disclosures

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related parties, related party relationships, transactions and outstanding balances are as follows:

a) Related parties with whom the Group had transactions:

Key management personnel (KMP)	Mr. Jawahar Lal Goel, Chairman and Managing Director Mr. Ashok Mathai Kurien, Non Executive Director Dr. Rashmi Aggarwal, Independent Director Mr. Bhagwan Das Narang, Independent Director Mr. Shankar Aggarwal, Independent Director Mr. Anil Dua, Executive Director and Chief Executive Officer Mr. Rajeev Dalmia, Chief Financial Officer Mr. Ranjit Singh, Company Secretary
Enterprises over which key management personnel/ their relatives have significant influence	ATL Media Limited (up to 30 September 2020) Asia Today Limited (up to 30 September 2020) Cyquator Media Services Private Limited (referred to as Cyquator) (up to 30 September 2020) Diligent Media Corporation Limited (up to 30 September 2020) E-City Property Management & Services Private Limited E-City Bioscope Entertainment Private Limited EZ Mall Online Limited (up to 30 September 2020) Essel Corporate LLP (formerly, known as Essel Corporate Resources Private Limited) (up to 30 September 2020) Interactive Financial & Trading Services Private Limited (up to 30 September 2020) Media Pro Enterprise India Private Limited (up to 30 September 2020) PAN India Network Infravest Limited (formerly, known as PAN India Network Infravest Private Limited) (up to 30 September 2020) Living Entertainment Enterprises Limited (up to 30 September 2020) Living Entertainment Limited (up to 30 September 2020) Essel Realty Developers Limited (formerly, known as Rama Associates Limited) (up to 30 September 2020) Evenness Business Excellence Services Ltd. (formerly, known as Essel Business Excellence Services Limited) (up to 30 September 2020) Satnet Private Limited Zee Akaash News Private Limited (up to 30 September 2020) Veena Investment Private Limited Zee Learn Limited (up to 30 September 2020) ZEE Media Corporation Limited (up to 30 September 2020)

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(All amounts in ₹ lacs, unless otherwise stated)

b) Transactions during the year with related parties:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i) With key management personnel		
Remuneration paid to KMPs		
Salaries, wages and bonus	**1,109**	1,115
Post-employment benefits	**54**	56
Sitting Fee	**51**	48
(ii) With other related parties:		
Revenue from operations and other income (net of taxes)		
ZEE Media Corporation Limited	**609**	1,833
Zee Akaash News Private Limited	**57**	108
Siti Networks Limited	**-**	76
Other related parties	**227**	229
Purchase of services		
Evenness Business Excellence Services Ltd.	**275**	823
Essel Corporate LLP	**-**	1,020
ZEE Media Corporation Limited	**448**	1,325
Satnet Private Limited	**6**	30
Other related parties	**40**	147
Rent paid		
Essel Corporate LLP		
(# ₹ 30,000)	**-**	#
ZEE Media Corporation Limited	**-**	10
Essel Realty Developers Limited		
(## ₹ 14,841, @ ₹ 30,000)	**##**	@
Reimbursement of expenses paid		
Evenness Business Excellence Services Ltd.	**-**	66
E-City Bioscope Entertainment Private Limited	**-**	3
ZEE Media Corporation Limited		
(& ₹ 49,242)	**&**	8
Interest on inter company deposit paid		
Veena Investment Private Limited	**-**	5
Loan given		
Cyquator		
($ ₹ 4,080, $$ ₹ 20,610)	**$**	$$
Loan repaid		
Veena Investment Private Limited	**-**	600
Refunds received against loan given made		
Others related parties	**-**	1
Purchase of property, plant and equipment		
Evenness Business Excellence Services Ltd.	**-**	6

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(All amounts in ₹ lacs, unless otherwise stated)

c) Balances at the year end:

Particulars	As at 31 March 2021	As at 31 March 2020
With key management personnel:		
Personal guarantee		
Mr. Jawahar Lal Goel	**75,000**	75,000
With other related parties:		
Advances		
ITZ Cash Card Limited	**-**	296
Interactive Financial & Trading Services Private Limited	**-**	1
Cyquator	**-**	1,099
Media Pro Enterprise India Private Limited	**-**	15
Security deposit given		
Evenness Business Excellence Services Ltd.	**-**	433
Trade payables (including provision)		
Evenness Business Excellence Services Ltd.	**-**	154
Other related parties	**21**	959
Trade receivables		
ATL Media Limited	**-**	13
ZEE Media Corporation Limited	**-**	962
Others related parties	**-**	206

55. Leases

Group as a lessee

The Group has entered into lease arrangements for land and various offices that are renewable on a periodic basis with approval of both lessor and lessee.

The Group does not have any lease commitments towards variable rent as per the contract.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right of use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and premises the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

A. The following is a reconciliation of the financial statement line items from Ind AS 17 to Ind AS 116 as at 1 April 2019

Particulars	Carrying amount as at 31 March 2019	Reclassi-fication	Application of Ind AS 116	Carrying amount as at 1 April 2019
Property, plant and equipment	-	-	2,607	2,607
Prepaid expense	2,426	-	(2,426)	-
Lease liability	-	-	(181)	(181)
Total	**2,426**	**-**	**-**	**2,426**

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(All amounts in ₹ lacs, unless otherwise stated)

B. The following is a reconciliation of total operating lease commitments at 31 March 2019 (as disclosed in the financial statements to 31 March 2019) to the lease liabilities recognised:

Particulars	Amount
Total operating lease commitments disclosed at 31 March 2019	-
Recognition exemptions:	
Operating lease liabilities before discounting	4,403
Discounted using incremental borrowing rate*	4,222
Operating lease liabilities	181
Reasonably certain extension options	-
Total lease liabilities recognised under Ind AS 116 at 1 April 2019	181

* Weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 10.84% p.a.

C. The table below describes the nature of the Group's leasing activities by type of right of use asset recognized on balance sheet:

Right of use assets	Number of leases (no.)	Range of remaining term (years)	Average remaining lease term (years)	Number of leases with extension option (no.)	Number of leases with purchase option (no.)	Number of leases with termination option (no.)
Leasehold land	1	69	69	1	-	1

D. Additional information on the 'Right of Use' assets by class of assets is as follows:

Right of use assets	Carrying amount as at 1 April 2020	Additions	Depreciation	Impairment	Carrying amount as at 31 March 2021
Leasehold land	2,570	-	37	-	2,533

Right of use assets	Carrying amount as at 1 April 2019	Additions	Depreciation	Impairment	Carrying amount as at 31 March 2020
Leasehold land	2,607	-	37	-	2,570

E. Lease liabilities are presented in the statement of financial position as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Current	14	14
Non-current	183	177
Total	197	191

F. The Group had not committed to any leases not commencing as on 31 March 2021 (previous year nil).

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(All amounts in ₹ lacs, unless otherwise stated)

G. The undiscounted maturity analysis of lease liabilities is as follows:

As at 31 March 2021

Particulars	**Within 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Lease payments	14	14	14	14	14	4,312	4,382
Finance charges	-	4	5	5	7	4,164	4,185
Net present values	**14**	**10**	**9**	**9**	**7**	**148**	**197**

As at 31 March 2020

Particulars	**Within 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**More than 5 years**	**Total**
Lease payments	14	14	14	14	14	4,326	4,394
Finance charges	-	3	4	5	6	4,187	4,203
Net present values	**14**	**11**	**10**	**9**	**8**	**139**	**191**

H. The Group has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

I. The Group had total cash outflows for leases of ₹ 14 lacs (previous year ₹ 9 lacs) during the financial year ended 31 March 2021.

The following are the amounts recognised in the statement of profit and loss:

Particulars	**For the year ended 31 March 2021**	For the year ended 31 March 2020
Depreciation expense of right of use assets	**37**	37
Interest expense on lease liabilities	**19**	19
Expense relating to short-term leases (included in other expenses)	**29,253**	29,670
Total amount recognised in profit or loss	**29,308**	29,726

Note:

Leasehold land disclosed above is located at Plot No. 1D, Udyog Vihar Industrial Area, Greater Noida, Dist. Gautam Budh Nagar, U.P.-201301, was acquired pursuant to business combination of Parent Company and Videocon d2h Limited. Title deeds of which are in the name of Videocon d2h Limited (erstwhile Company) and the Parent Company is in the process of getting the registration transferred in its name.

Group as a lessor

a) The Group has leased out assets by way of operating lease. Lease income recognised in the statement of profit and loss is below:

Particulars	**For the year ended**	
	31 March 2021	31 March 2020
Sub-lease rental income (being shared cost)	**886**	715

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(All amounts in ₹ lacs, unless otherwise stated)

b) Assets given under operating lease

The Group has leased out assets by way of operating lease. The gross book value of such assets at the end of the year, their accumulated depreciation and depreciation for the year are as given below:

Particulars	As at 31 March 2021	As at 31 March 2020
Gross value of assets	**211,150**	211,004
Accumulated depreciation	**159,334**	124,144
Net block	**51,816**	86,860
Depreciation for the year	**35,190**	35,605

The lease rental income recognised during the year in respect of non-cancellable operating leases and minimum obligations on long term non-cancellable operating lease receivable as per the rentals stated in the agreements are as follows:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Lease rental income recognised during the year	**1,374**	3,904

Particulars	Total future minimum lease rentals receivable as at	
	31 March 2021	31 March 2020
Within one year	**405**	1,373
Later than one year and not later than five years	**172**	564

56. a) The Parent Company is in the litigation towards computation and payment of license fees on adjusted gross revenue basis with the Ministry of Information and Broadcasting ("Regulatory Authority"). This matter continues to be sub-judiced before the Hon'ble High Court of Jammu and Kashmir. The Parent Company continues to be legally advised that on the merits of its submissions and that the matter was decided by the TDSAT in favour of the Parent Company, it has a strong case. Using the principle of prudence in accounting standards, the Parent Company, in prior years, made a provision of ₹ 324,121 lacs in its books of account, which in the current period has been increased by ₹ 24,871 lacs primarily towards interest as a time value of money charge for case under subjudice. The same is included in table below

Provision for regulatory dues (including interest)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening provision	**357,577**	325,648
Add: created during the year	**43,006**	41,829
Less: payment during the year	**26,566**	9,900
Closing provision	**374,017**	357,577

The outflow of economic benefits with regard to the disputed portion would be dependent on the final decision by the Regulatory Authority. Presently, it has been classified under the 'Provision (current)'

b) In continuation to the matter described in note a above, the Company has filed Petition (205(C) of 2014) before the Hon'ble Telecom Disputes Settlement & Appellate Tribunal (TDSAT) against Union of India challenging the propriety and legality of the demand of ₹ 62,420 lacs including interest of ₹ 15,967 lacs raised by the Ministry of Information and Broadcasting (MIB) by way of a demand letter dated 19 March 2014 towards alleged short payment of license fee for the period 2003-04 to 2012-13. The matter is pending before the Hon'ble TDSAT.

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(All amounts in ₹ lacs, unless otherwise stated)

Further pursuant to scheme of merger, Parent Company has assumed deemed liability of ₹ 13,104 lacs and interest liability of ₹ 2,724 lacs which was raised by the MIB on transferor company by way of demand letter dated 24 March 2014 towards alleged short payment of license fee for the period 2009-10 to 2012-13. Transferor company had filed petition (204(C) of 2014) before the Hon'ble TDSAT against Union of India challenging the propriety and legality of the demand. The matter is also pending before the Hon'ble TDSAT.

Further, despite the matter being sub-judice as stated above, the Parent Company received communications from the MIB, wherein the Parent Company was directed to pay ₹ 416,406 lacs within 15 days towards the license fee for the period from the date of issuance of DTH License till financial year 2018-19 and interest thereon till 30 September 2020. However, the MIB has in its said letter, also mentioned that the amount is subject to verification and audit and the outcome of various court cases pending before the TDSAT, the Hon'ble High Court of Jammu and Kashmir at Jammu and the Hon'ble Supreme Court of India. The Parent Company responded to the aforementioned letter on 06 January 2021 disputing the demand.

57. Payment to auditors (of the Parent Company):

Particulars	**For the year ended**	
	31 March 2021	**31 March 2020**
As auditors		
- Statutory audit and limited review of quarterly results	**105**	105
- Other services including certifications	**68**	35
- For reimbursement of expenses	**1**	7
Total	**174**	147

58. Earnings per share

a) Basic earnings per share

Particulars	**For the year ended**	
	31 March 2021	**31 March 2020**
Loss for the year attributable to equity shareholders (A)	**(117,760)**	(163,882)
Weighted average number of equity shares (B)	**1,923,803,828**	1,923,797,362
Nominal value of equity share (in ₹)	**1**	1
Basic earnings per share (in ₹) (A/B)	**(6.12)**	(8.52)

b) Diluted earnings per share

Particulars	**For the year ended**	
	31 March 2021	**31 March 2020**
Loss for the year attributable to equity shareholders	**(117,760)**	(163,882)
Net loss adjusted for diluted earnings per share (A)	**(117,760)**	(163,882)
Weighted average number of equity and potential equity shares (nos) (B)	**1,923,803,828**	1,923,797,362
Nominal value of equity share (in ₹)	1	1
Diluted earnings per share (in ₹) (A/B)	**(6.12)**	(8.52)

Note: The incremental shares from assumed exercise of share options were not included in calculating the diluted earning per share amount as these were anti-dilutive in nature.

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

59. Rights issue

The Parent company during the financial year ended 31 March 2009 issued 518,149,592 equity shares of Re.1 each at a premium of ₹ 21 per share for cash to the existing equity shareholders on the record date. The terms of payment were as under:

Particulars	Total amount due (per share)	Towards face value (per share)	Towards securities premium (per share)	Total amount	Due on (from the date of allotment, at the option of the Parent Company)	Date of making the Call
	(₹)	(₹)	(₹)	(in ₹ lacs)		
On application	6.00	0.50	5.50	31,089	Along with application	Not applicable
On first call	8.00	0.25	7.75	41,452	After 3 months but within 9 months	The Board at its meeting held on 18 June 2009 decided to make the first call, payable on or before 31 July 2009*
On second and final call	8.00	0.25	7.75	41,452	After 9 months but within 18 months	The Board at its meeting held on 22 January 2010 decided to make the second and final call, payable on or before 1 March 2010*
Total	**22.00**	**1.00**	**21.00**	**113,993**		

* Shareholders are entitled to make the call payment after due date with simple interest @ 8% p.a.

Upto the financial year ended 31 March 2021, the Parent Company has received ₹ 31,089 lacs (previous year ₹ 31,089 lacs) towards the application money on 518,149,592 (previous year 518,149,592) equity shares issued on Rights basis; ₹ 41,450 lacs (previous year ₹ 41,450 lacs) towards the first call money on 518,130,477 (previous year 518,130,477) equity shares; and ₹ 41,450 lacs (previous years ₹ 41,450 lacs) towards the second and final call money on 518,116,031 (previous year 518,116,031) equity shares.

The Parent Company has also received ₹ 0.42 lacs (previous year ₹ 0.42 lacs) towards first call and/ or second and final call. Pending completion of corporate action, the amount has been recorded as Application money received against partly paid shares under 'Other current liability'.

The utilisation of rights issue proceeds have been in accordance with the revised manner of usage of rights issue proceeds, as approved by the Board of Directors of the Parent Company, in their meeting held on 28 May 2009. The utilisation of the rights issue proceeds as per the revised usage aggregating to ₹ 113,989 lacs (previous year ₹ 113,989 lacs) is as under.

The details of utilisation of rights issue proceeds by the Parent Company, on an overall basis, are as below:

Particulars	Up to 31 March 2021	Up to 31 March 2020
Amount utilized	-	
Repayment of loans	**28,421**	28,421
Repayment of loans, received after right issue launch	**24,300**	24,300
General corporate purpose/ operational expenses	**34,723**	34,723
Acquisition of Consumer Premises Equipment (CPE)	**26,000**	26,000
Right issue expenses	**545**	545
Total money utilized	**113,989**	113,989

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(All amounts in ₹ lacs, unless otherwise stated)

60. Issue of Global Depository Receipts (GDR Issue): -

Pursuant to the approvals obtained by the Parent Company and in accordance with the applicable laws including the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, as amended, the Global Depository Receipt (GDR) Offer of the Company for 117,035 GDRs opened for subscription on 23 November 2009 at a price of US $ 854.50 per GDR, each GDR representing 1000 fully paid equity shares. The pricing of the GDR, as per the pricing formula prescribed under Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, as amended, was ₹ 39.80 per fully paid equity share and the relevant date for this purpose was 23 November 2009.

Upon opening, the GDR issue for USD 1,000 lacs (approx.) was fully subscribed and the Company received USD 1,000 lacs (approx.), towards the subscription money. Upon receipt of the subscription money, the Issue Committee of the Board at its meeting held on 30 November 2009, issued and allotted 117,035,000 fully paid equity shares @ ₹ 39.80 per fully paid equity share to M/s Deutsche Bank Trust Company Americas (being the depository) in lieu of the GDR issued. The GDR's were listed at the Luxembourg Stock Exchange.

During the year ended 31 March 2013, 32,000 GDRs were cancelled and converted in to 32,000,000 equity shares of Re. 1 each by the holder and during the year ended 31 March 2016, 85,035 GDRs were sold in the domestic market and converted into 85,035,000 equity shares of Re 1 each by the holder and accordingly GDR outstanding thereafter are nil.

The detail of utilisation of GDR proceeds by the Parent Company, on an overall basis, is as below:-

Particulars	Up to	
	31 March 2021	**31 March 2020**
Amount utilized	-	
Acquisition of fixed assets including CPEs	**7,670**	7,670
GDR issue expenses	**345**	345
Advance against share application money given to subsidiaries	**56**	56
Repayment of bank loan	**755**	755
Operational expenses including interest payments, bank charges and exchange fluctuation	**51,369**	51,369
Total	**60,195**	60,195

Also, refer footnote 1 to note 23 (d) related to issue of global depository receipts pursuant to the scheme of amalgamation.

61. Contingent liabilities, litigations and commitments

a) Claims against the Group (including unasserted claims) not acknowledged as debt:

Particulars	As at 31 March 2021	As at 31 March 2020
Income-tax	**1**	1
Sales tax, value added tax and entry tax	**63,070**	53,135
Customs duty	**66,907**	66,425
Service tax	**30,405**	30,572
Wealth tax	**1**	1
Entertainment tax	**20,496**	20,496
Other claims	**483**	483

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(All amounts in ₹ lacs, unless otherwise stated)

Other than above, penalty, if any, levied on conclusion of above matters is currently not ascertainable.

Other than above, the Group has certain litigations involving customers and based on the legal advise of in-house legal team, the management believes that no material liability will devolve on the Group in respect of these litigations.

Income tax

In earlier years, the Company had received demand notices for tax deducted at source ('TDS') and interest thereon amounting to ₹ 760 lacs (excluding penalty levied amounting ₹ 16 lacs) relating to matters pertaining to alleged short deduction of tax at source on certain payments for the assessment years 2009-10 to 2013-14. Out of the cases mentioned above, Company has received favourable orders in the matter of assessment year 2010-11 and 2011-12. The balance demands amounting to ₹. 348 lacs relates to matters pertaining to alleged short deduction of tax at source on certain payments for the assessment years 2009-10, 2012-13 and 2013-14. In respect of the demand received the Company had made payment under protest of ₹ 348 lacs which was paid in the previous years. Further, the amount paid under protest, as a matter of abandoned caution, based on management estimate has been provided for in the books. However, the Company has disputed all these matters and filed appeal against the above said demands with the tax authorities.

Furthermore, the company has preferred to settle the dispute relating to tax arrears/Interest/Penalty under the Vivaad se Vishwas Scheme, 2020 by filling forms dated 8 March 2021 for all the above Financial Years.

Sales tax, value added tax, entry tax, service tax, entertainment tax, custom duty and other claims

The Company and its subsidiary Company Dish Infra Services Private Limited have received notices/ assessment orders in relation to applicability of above-mentioned taxes. The Companies have contested these notices at various Forums/Courts and the matter is subjudice. Further, the Company has assumed the contingent liability in relation to above-mentioned taxes as part of the merger with Videocon d2h Limited.

Based on the advice from independent tax experts, and development on the appeals, the Group is confident that the additional tax so demanded will not be sustained on the completion of appellate proceedings and accordingly, pending the decisions by the appellate authorities, no provision has been made in these financial statements.

b) Commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of contracts remaining to be executed on capital account (net of advances)	**27,728**	22,388

c) Others

i) In August 2016, the Hon'ble Delhi High Court (HC) passed an order restraining the Company from operation in MENA (Middle East and North Africa) region, on a plea brought by the UAE-based company Gulf DTH FZ LLC, about copyright infringement by Dish TV in the region. An application for interim stay filed by Gulf DTH FZ LLC has been allowed by the Single Judge Bench of High Court vide its order dated 30 August 2016 which was further confirmed by Division Bench of Hon'ble High Court. However the Company has filed separate appeals and same are pending for disposal. Based on management's assessment and independent expert's advice, the Company believes no claim will devolve upon the Company and no provision has been recognised.

ii) The Dish Infra Services Private Limited, one of the subsidiary company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 20201

(All amounts in ₹ lacs, unless otherwise stated)

foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under the law/Ind AS for the material foreseeable losses on such long term contract (including derivative contracts) has been made in the books of accounts.

iii) During the financial ended 31 March 2018, the Directorate of Revenue Intelligence (DRI), Bangalore, under section 108 of the Customs Act, 1962, had inquired about the classification of viewing cards for applicability of customs duty. The Company had, suo-moto, paid ₹ 600 lacs under protest. Further, during the previous financial year, the Company has received a demand notice for ₹ 11,846 lacs. The Company has paid an additional amount of ₹ 1,000 lacs under protest and contested against this notice. Further, ADG (Adj.) DRI Delhi has confirmed the demand vide order dated 27 April 2020 and 28 April 2020 and imposed applicable interest and penalty of an equivalent amount. The Company has preferred appeals before CESTAT, Delhi along with the predeposit of ₹ 324 lacs, against the said orders. The Company is confident that the demand will not be sustained therefore, no provision has been made in these financial statements and the amount demanded has been shown as a contingent liability.

iv) During the previous year, the wholly-owned subsidiary company, Dish Infra Services Private Limited has received a Show Cause Notice for ₹ 42,686 lacs from the office of the Directorate of Revenue Intelligence (DRI), Bangalore, under section 108 of the Customs Act, 1962. The subsidiary Company has preferred a writ petition for challenging the validity of the show cause notice before the Hon'ble High Court of Delhi. The writ petition has maintained by the Hon'ble High Court and issued a notice to the DRI Bangalore. The subsidiary Company is confident that the proposed demand will not be sustained and therefore, no provision has been made in these financial statements and the amount demanded has been shown as a contingent liability.

62. Additional information pursuant to schedule III of the Act:

Name of the Company	Net assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated net profit/(loss)	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated Total comprehensive income
Parent Company								
Dish TV India Limited	326,621	124%	(67,775)	57%	73	4%	(67,702)	58%
Indian subsidiary								
Dish Infra Services Private Limited.	405,778	154%	(48,829)	41%	91	5%	(48,738)	42%
C&S Medianet Private Limited	(14)	0%	4	0%	-	-	4	0%
Foreign subsidiary								
Dish TV Lanka (Private) Limited	(24,528)	(9%)	(4,093)	3%	1,790	92%	(2,303)	2%
Intra group elimination	(445,057)	(169%)	1,707	(1%)	-	-	1,707	(1%)
Grand Total	**262,800**	**100%**	**(118,986)**	**100%**	**1,954**	**100%**	**(117,032)**	**100%**

Profit or loss attributable to "minority interest" and to owners of the parent in the Statement of Profit and Loss shall be presented as allocation for the year

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss for the year	**(118,986)**	(165,484)
Loss attributable to owners of the Group	**(117,760)**	(163,882)
Loss attributable minority interests	**(1,226)**	(1,602)
Total	**(118,986)**	(165,484)

CONSOLIDATED SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

(All amounts in ₹ lacs, unless otherwise stated)

Other comprehensive income attributable to "minority interest" and to owners of the parent in the Statement of Profit and Loss shall be presented as allocation for the year

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit for the year	**1,954**	(417)
Profit attributable to owners of the Group	**1,417**	(271)
Profit attributable minority interests	**537**	(146)
Total	**1,954**	(417)

63. In accordance with the provisions of Section 135 of the Act, the Board of Directors of the Parent Company had constituted a Corporate Social Responsibility ('CSR') Committee. In terms with the provisions of the said Act, the Group was to spend ₹ 89 lacs during the year ended 31 March 2021 (previous year nil) towards CSR activities. The details of amount actually paid by the Group are:

Particulars	Amount Paid	Amount yet to be paid	Total
31 March 2021			
Amount spent during the year on the following:			
(a) Construction/acquisition of any asset	-	-	-
(b) On purposes other than (a) above	89	-	89
31 March 2020			
Amount spent during the year on the following:			
(a) Construction/acquisition of any asset	-	-	-
(b) On purposes other than (a) above	-	-	-

64. The initial term of the Direct To Home ("DTH") License issued to the Parent Company was provisionally extended from time to time by the Ministry of Information and Broadcasting, Government of India ("MIB") in the past. On 30 December 2020, MIB issued amended DTH guidelines for obtaining license for providing DTH Broadcasting Services in India, however, consolidated operational guidelines along with the amendments are yet to be issued. In accordance with the amended guidelines, the Parent Company had applied for issue of license and the MIB has granted provisional license vide its letter dated 31 March 2021 on the terms and conditions as mentioned therein.

This is the consolidated summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Membership No. 504662

Place: New Delhi
Date: 30 June 2021

For and on behalf of the Board of Directors of Dish TV India Limited

Jawahar Lal Goel
Chairman & Managing Director
DIN: 00076462

B. D. Narang
Director
DIN: 00826573

Anil Kumar Dua
Group Chief Executive Officer and Executive Director
DIN: 03640948

Rajeev K. Dalmia
Chief Financial Officer

Ranjit Singh
Company Secretary
Membership No: A15442

Place: Noida
Date: 30 June 2021